

The Mining Journal

ANALYSIS OF RAND AND O.F.S. QUARTERLIES

BUYERS BECOMING SELECTIVE

THE past quarter has seen further rises in Kaffir shares occurring spasmodically and selectively among the various sections of the market. Some of the more notable improvements have taken place in West Driefontein, Western Reefs, Loraine, Libanon, Vaal Reefs, Grootvlei, City Deep, Durban and East Daggafontein. The only section of the market to put up a consistently good showing has been the old non-uranium producers. This, as we indicated later, is not altogether a satisfactory trend.

Financial shares have continued to be a good market on the whole, with Gold Fields, Union Corporation and J.C.I. especially prominent, and to a lesser extent, Anglo American. The realization seems to be growing that, for the small or non-specialist investor, investment in a finance share enables the portfolio to be spread at a reasonable cost, while the question of reinvestment of that part of the dividend deemed to be return of capital does not arise.

There has again been a certain amount of American buying in the Johannesburg market, but interest originating in London and the Continent has been slight. There are signs, however, that London's interest may be growing, particularly with regard to finance houses.

Kaffirs in 1959

The small rise in the F.T. gold share index during 1959 should not be allowed to obscure the fact that for investors who picked their shares wisely the past twelve months should have been more than usually profitable. On p. 11 we give a table showing the rate of capital appreciation (or otherwise) achieved by the South African mines together with dividends for the past two years and yields at the year end. It may be of interest to discuss the underlying factors behind these price movements.

Possibly the most noticeable fact about the table is that price improvements have by no means been closely correlated to the rate of advance of dividends. At West Drie, for example, an extremely sharp rise in the share price has been accompanied by a comparatively modest dividend increase. Thus considerations of current yield, unqualified by reference to future prospects, appear not to have been the market influence that has been widely supposed.

This is an encouraging sign, which underlines the cardinal principle that current yield on a mining share provides no direct basis for comparison with current yield on an industrial share.

There are two reasons for this. Firstly, there is a fundamental difference in the nature of the investment. An industrial share is for practical purposes a permanency, whereas every mine sooner or later becomes exhausted. Additionally, there is undoubtedly a risk factor present in an investment in a single mining share which is absent from the general run of industrials.

If one discounts for these factors from the 8 per cent which the *Mining Journal* continues to regard as a prudent minimum eventual earnings yield, the "true" yield on a Kaffir is much closer to current yields on industrial shares than would appear at first sight.

CONTENTS

Editorial Comment	1, 11, 13, 19, 22, 23,
"M.J." Cumulative Index and Comparative Analysis of all Quarterly Returns	2, 3
Anglo American Corporation of South Africa	4, 5, 6, 7
Witwatersrand Nigel	7
Spaarwater Gold Mining	7
Gold Fields Group	8, 9, 10, 11
General Mining and Finance	12, 13
Johannesburg Consolidated	14, 15
Central Mining Finance	16, 17
Union Corporation	18, 19
Anglo-Transvaal Consolidated	20, 21, 22

A gap between these yields would still exist, however, and this is accounted for by the fact that yields on industrials have, in general, been depressed by the expectation that dividends on these shares will soon be raised. They are, in fact, being bought on "eventual yield" prospects in the same way as many of the young, expanding Kaffirs, and the notional basis on which industrials are being bought is probably very close indeed to the discounted yield on Kaffirs referred to above.

Earnings Reassessments Were Big Factor

Referring again to the table it is noticeable that most of the major rises have, in fact, been linked either to good development results or to expansion, actual or prospective. The rises in West Driefontein,

F. S. Geduld, St. Helena and Western Holdings have been largely attributable to good reef disclosures. The improvement in Grootvlei was based upon promising indications on the Kimberley reef, and Libanon and Loraine surged ahead in anticipation of good results to come. In all these cases, it is apparent that the market rise has been based on future earnings considerations, and not on misguided attempts to secure what appears to be a good current yield.

This is not to say, of course, that reassessments of probable future earnings have been the only bullish factor in the market during 1959. Thus, some good rises are to be seen in section 6 of the table, although the mines in this section are almost without exception old, with their production at or near its peak.

The main influence on the mines of this group has been the relative abundance of native labour. Although this was of great benefit to the whole industry, it was the older mines which, in general, were able to take immediate advantage of the improved situation by stepping up stoping rates from their already substantial developed reserves. At the younger mines, on the other hand, the additional labour was utilized largely in advance development and other work of a semi-capital nature, and the benefit is only now being felt in terms of throughputs and profits.

Uraniums Disappointing

The most disappointing section of the market has been those mines with substantial uranium interests. The older mines of this group—those appearing in section 4 of the table—have tended to decline throughout the year as a result of the growing realization of the difficulties which even the most competitive South African uranium producers will have to face when the C.D.A. contracts end in the mid-sixties. A major factor in this re-appraisal was the sombre news of contract-stretching from Canada, followed by the disclosure at the Harmony meeting that negotiations on the position of the South African producers were in progress.

These Klerksdorp shares with big uranium interests (section 2) followed a similar course until October, but since then most of these shares have recovered to a greater or lesser extent. This was based on the fact that in most cases, even if uranium were completely to dry up as a source of profits, sufficient profits would continue to be earned from gold alone to make them attractive in relation to other young producers.

(Continued on page 11)

FINANCIAL RESULTS

(Cumulative and comparative "this" financial year to December 31, 1959 with "last.")

GROUP	COMPANY	ORDINARY SHARES IN ISSUE	Months since year end	PROFIT AND LOSS RESULTS £(000)								Current financial year's capital expenditure (£000)	EARNINGS, DIVIDENDS & YIELD							
				Working Profit		Uranium Profit After Loan Repayment		Taxation and/or Mining Lease		Net Profit After Tax			Earned in current year to date	Paid						Yield on Price 25/1/60 (0/0)
														1958			1959			
				This	Last	This	Last	This	Last	This	Last			s.	d.	s.	d.	s.	d.	
Gold Fields	Doornfontein	9,828,000 (10/-)	6	1137.7	1153.2	67.2	70.2	—	—	1205.6	1234.4	195.7	2/5	1 0	1 6	1 6	1 6	8.7		
	Libanon	7,937,300 (10/-)	6	370.0	326.5	—	—	—	—	372.6	333.9	226.3	11d.	3 1/2	3 1/2	3 1/2	3 1/2	3.4		
	Luipaard's Vlei	4,969,105 (2/-)	6	32.0	32.9	381.0	361.0	237.0	178.5	235.8	219.9	10.6	11d.	1 1	1 0	1 0	1 0	24.2		
	Rietfontein C.	1,122,252 (3d.)	12	91.2	143.3	—	—	37.5	64.0	55.0	82.6	0.2	1/-	1 0*	10*	6*	8*	0.0		
	Robinson	2,000,000 (5/6)	12	L114.2	7.0	—	—	—	—	L84.8	28.2	49.7	—	—	6*	—	—	0.0		
	Simmer	6,750,000 (1/6)	12	L58.9	163.8	—	—	—	14.0	L28.1	175.0	Cr. 2.0	—	6*	—	6*	—	0.0		
	Sub Nigel	1,771,875 (3d.)	6	119.9	151.6	—	—	50.4	47.5	83.3	109.4	Cr. 6.3	11d.	1 6	1 6*	1 6*	1 3*	0.0		
	Venterspost	4,900,000 (10/-)	6	364.9	353.2	—	—	105.1	120.0	269.9	241.8	69.5	1/1	10 1/2	10 1/2	10 1/2	10 1/2	7.6		
	Vlakfontein	6,000,000 (10/-)	12	1033.9	1019.2	—	—	494.1	471.4	543.5	558.5	Cr. 12.5	1/10	11 1	0	11 1	0	10.0		
	Vogels	5,028,571 (3d.)	12	397.1	529.6	347.0	348.0	350.0	409.6	401.9	481.9	0.2	1/7	1 0	1 0	11*	10*	0.0		
W. Drie	7,041,080 (10/-)	6	4802.2	3769.2	148.8	124.8	2326.6	1557.7	2625.9	2361.0	507.5	7/6	3 9	4 0	4 3	4 9	4.6			
Anglo American	Brakpan	4,600,000 (3d.)	12	140.0	154.0	—	—	12.0	16.1	132.2	147.6	Cr. 8.1	7d.	4 1/2	6	4 1/2	6*	0.0		
	Dagga	7,000,000 (5/-)	12	2809.3	3063.5	1103.0	1125.8	2447.0	2608.0	1471.8	1611.5	78.1	4/2	2 6	2 6	2 3	2 3	20.0		
	East Dagga	3,730,000 (10/-)	12	414.4	343.3	—	—	161.0	131.4	255.4	221.5	Cr. 2.4	1/4	7 1/2	7 1/2	7 1/2	7 1/2	13.1		
	F. S. Geduld	10,000,000 (5/-)	3	1904.2	1200.6	—	—	—	—	1904.2	1200.6	277.7	3/10	2 0	3 0	3 6	4 6	4.3		
	P. Brand	14,040,000 (5/-)	3	2529.0	1809.1	91.3	100.0	1224.0	794.4	1396.3	1114.7	488.5	2/-	2 6	2 6	2 6	3 0	7.1		
	P. Steyn	14,040,000 (5/-)	3	577.9	535.2	110.0	120.4	—	—	687.9	655.6	439.2	1/-	1 3	1 3	1 3	3 0	8.3		
	S. A. Lands	2,475,000 (3/6)	12	664.9	654.8	—	—	12.0	149.3	655.5	517.3	791.7	5/4	1 6	1 6	1 3	6	11.4		
	Springs	10,110,000 (3d.)	12	157.6	115.5	—	—	15.0	21.6	144.6	102.8	Cr. 16.8	3d.	—	4 1/2	—	6*	0.0		
	Vaal Reefs	10,500,000 (5/-)	12	2597.0	2283.3	1438.9	1317.2	—	—	4040.3	3620.2	1963.7	7/8	1 6	2 0	1 6	2 0	7.2		
	Welkom	12,250,000 (5/-)	3	229.5	232.1	106.7	112.7	—	—	336.2	344.8	117.4	7d.	3	3	3	3	2.2		
W. Holdings	7,496,376 (5/-)	3	2174.0	1303.3	—	—	1124.0	—	1050.0	1303.3	158.9	2/10	3 0	4 0	3 6	5 0	4.8			
W. Reefs	7,000,000 (5/-)	12	1281.5	801.8	1241.4	1173.2	1443.0	1057.4	1083.6	934.2	137.6	3/1	1 3	1 3	1 3	1 3	7.3			
Central Mining	Blyvoor	24,000,000 (2/6)	6	3828.6	2982.3	607.8	599.3	2606.2	2134.1	2081.5	1538.4	321.2	1/9	1 0	1 0	1 1	1 2	7.6		
	City Deep	2,026,832 (£1)	12	105.0	122.1	—	—	13.0	6.4	174.5	179.8	27.4	1/9	6	7 1/2	7 1/2	7 1/2	6.1		
	Cons. M. R.	1,247,602 (£1)	6	44.7	88.5	—	—	4.4	4.8	90.2	107.6	—	1/5	1 3	1 6	1 6	1 3	15.1		
	Crown	1,886,125 (10/-)	12	168.3	176.3	—	—	19.6	21.6	290.9	276.0	†175.6	3/1	1 6	1 9	1 9	2 0	13.3		
	Durban Deep	2,325,000 (10/-)	12	636.4	617.7	—	—	101.8	119.6	615.2	576.5	155.7	5/4	1 6	1 6	1 6	1 6	8.0		
	E. Rand Prop.	3,960,000 (10/-)	12	1388.5	1696.9	—	—	9.1	348.2	1465.9	1462.5	1654.0	7/5	2 0	2 0	1 9	1 9	8.3		
	Harmony	18,000,000 (5/-)	6	1499.1	915.2	929.4	598.3	—	—	2376.3	1477.7	1027.3	2/8	1 0	1 0	1 1 1/2	1 3	6.1		
	Modder E.	930,805 (£1)	6	14.5	12.4	—	—	3.6	3.5	29.9	19.6	—	8d.	9	6	6	6	6.1		
	Rose Deep	700,000 (6/6)	12	0.6	9.9	—	—	6.7	9.3	46.6	76.7	Cr. 11.4	1/4	—	—	—	—	0.0		
Transvaal G.M.E.	952,500 (3d.)	12	21.5	31.5	—	—	—	—	12.9	40.7	35.5	3d.	—	—	—	—	—			
J.C.L.	E. Champ d'Or	2,079,000 (2/6)	12	82.6	73.2	(a)	(a)	34.9	24.9	54.6	48.5	—	6d.	3	3	3	3	22.2		
	Freddies C.	16,359,913 (£1)	12	L24.3	L122.0	(a)	(a)	—	—	L80.0	L172.6	9.4	—	—	—	—	—	0.0		
	Govt. G. M. A.	5,600,000 (3d.)	12	32.3	2.3	—	—	47.9	57.5	252.1	247.5	—	11d.	6*	—	—	—	0.0		
	Randfontein	4,063,553 (£1)	12	1382.9	1383.3	(a)	(a)	590.0	516.0	792.9	877.1	4.7	3/11	2 0	2 3	1 9	2 3	19.7		
Union Corporation	E. Geduld	9,000,000 (4/-)	12	3322.8	3261.9	—	—	1763.1	1748.7	1681.1	1662.4	—	3/9	1 9	1 11	1 9	1 11	15.7		
	Geduld Prop.	1,460,857 (£1)	12	354.0	143.2	—	—	139.4	12.4	898.1	829.0	—	12/4	5 0	6 3	4 9	5 0	12.6		
	Grootvlei	11,438,816 (5/-)	12	2792.9	2553.8	—	—	1431.9	1306.4	1409.6	1326.7	—	2/6	1 1	1 3	1 1	1 5	11.3		
	Marievale	4,500,000 (10/-)	12	1372.1	1050.7	—	—	640.3	460.5	743.6	619.1	21.3	3/4	1 1	1 5	1 4	1 7	10.7		
	St. Helena	9,625,000 (10/-)	12	3126.9	2300.3	—	—	—	—	3098.0	2292.8	1256.7	6/5	1 0	1 1	1 3	1 9	3.7		
	Van Dyk	5,532,000 (3d.)	12	321.8	290.9	—	—	—	—	340.6	324.2	—	1/3	1 3*	—	1 3*	—	0.0		
Winkelhaak	12,000,000 (10/-)	12	587.2	—	—	—	—	—	506.7	—	369.4	10d.	—	—	—	—	0.0			
General Mining	Buffelsfontein	11,000,000 (10/-)	6	1745.8	1114.4	988.2	833.7	—	—	2734.0	1959.6	914.3	5/-	1 6	1 6	1 6	1 9	6.4		
	Ellaton	787,500 (5/-)	6	165.6	193.2	95.0	97.0	—	—	260.6	292.6	Cr. 1.5	6/7	—	—	—	—	—		
	Sniffontein	13,062,920 (5/-)	12	4901.6	4744.3	640.1	636.8	305.0	—	5245.0	5414.0	3016.9	8/-	1 10 1/2	1 10 1/2	1 10 1/2	1 7 1/2	8.6		
	S. Roodepoort	1,420,662 (10/-)	6	134.7	137.8	—	—	53.0	58.7	86.2	91.7	7.3	1/3	1 1 1/2	1 1 1/2	1 1 1/2	1 1 1/2	—		
	W. Rand Cons.	4,250,000 (10/-)	12	2570.4	2570.2	(a)	(a)	1163.0	1184.0	1284.1	1357.1	50.9	6/1	2 0	2 3	2 0	2 3	20.7		
Anglo-Thai	Haritebeest	9,000,000 (10/-)	6	1817.8	1886.8	1398.8	1375.8	1230.0	—	2036.6	3289.5	799.7	4/6	3 6	3 6	3 6	3 0	10.4		
	Loraine	15,363,345 (10/-)	3	L57.8	L57.2	71.9	65.4	—	—	16.3	8.5	481.9	—	—	—	—	—	0.0		
	Rand Leases	3,600,000 (3d.)	6	130.0	56.8	—	—	4.5	4.2	143.2	74.9	17.7	10d.	—	9*	—	1 0*	0.0		
	Village M. R.	6,068,957 (1/3)	6	1.7	2.4	—	—	0.2	—	3.5	5.5	0.8	—	0 1/2	—	—	—	—		
	Virginia	13,278,952 (5/-)	12	118.9	435.9	1262.3	1269.4	—	—	1206.0	1510.1	312.4	1/10	—	—	—	—	0.0		
Others	N. Klein	1,735,000 (£1)	12	34.1	L19.1	—	—	—	—	35.6	L12.0	—	—	—	—	—	—	0.0		
	Spaarwater	7,974,968 (5/-)	12	7.6	8.4	—	—	—	—	8.2	10.5	—	—	—	—	—	—	—		
	Wit. Nigel	7,974,720 (2/6)	6	26.8	34.3	—	—	—	—	31.1	41.3	3.9	1d.	1 1/2	—	1 1/2	—	8.3		

(a) Included under working profit. (b) And deferred shares. (c) After deferred shares participation. * Capital Repayment. † Cr.

DEVELOPMENT AND MILLING RESULTS

(Cumulative and comparative "this" financial year to December 31, 1959 with "last.")

GROUP	COMPANY	Months since year end	TOTAL ORE RESERVES			DEVELOPMENT RESULTS										MILL THROUGHPUT										
						Payability					Tonnage					Gold Recovered					Working Profit					
			Tons (000)	Value (dwt.)	Inch dwt.	Fr. Sampled (000)		%		Av Value (In.-dwt.)		Milled (000)		Cost per Ton		Ounces (000)		Grade (dwt.perton)		Cost per ounce		Per ton		Per oz.		
						This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	
Gold Fields	Doornfontein	6	2,651	7.4	306	15.5	10.4	91	88	516	345	567	525	61/8	60/8	230.5	219.2	8.1	8.4	151/8	145/3	40/2	43/11	98/9	105/3	
	Libanon	6	2,505	4.9	241	9.1	10.9	71	66	337	331	663	588	47/8	48/-	155.7	138.7	4.7	4.7	202/10	203/5	11/2	11/1	47/6	47/1	
	Luipaard's Vlei	6	1,410	4.5	176	5.2	7.5	57	65	247	261	428	420	42/9	41/7	75.6	72.3	3.5	3.4	242/1	241/8	1/6	1/7	8/6	9/1	
	Rietfontein C.	12	117	5.5	302	6.0	7.1	43	51	372	462	192	246	56/10	47/8	50.9	58.4	5.3	4.7	214/4	200/11	9/6	11/8	35/10	49/1	
	Robinson	12	444	4.4	229	2.7	6.5	52	38	347	321	686	862	54/8	52/8	140.8	182.1	4.1	4.2	266/2	249/3	L3/4	2d.	L16/3	9d.	
	Simmer	12	612	4.3	194	25.5	22.2	34	40	265	270	1,006	1,060	49/-	44/6	192.3	201.8	3.8	3.8	256/2	233/7	L1/2	3/1	L6/2	16/3	
	Sub Nigel	6	653	7.8	307	1.1	10.3	28	26	368	331	396	399	53/1	52/6	93.7	95.8	4.7	4.8	224/8	218/10	6/1	7/7	25/7	31/8	
	Venterspost	6	2,256	5.7	317	23.1	24.2	49	64	461	464	755	769	53/8	53/-	191.0	191.0	5.1	5.0	212/3	213/6	9/8	9/2	38/3	37/-	
	Vlakfontein	12	1,638	7.9	328	54.3	26.6	42	38	383	335	610	596	55/8	54/1	218.6	210.7	7.2	7.1	155/2	152/11	33/11	34/2	94/7	96/9	
	Vogels	12	1,580	4.9	202	30.0	34.4	29	26	251	267	1,091	1,141	48/6	46/9	242.7	254.8	4.4	4.5	217/10	209/3	7/3	9/3	32/9	41/7	
W. Drie	6	3,082	15.7	663	10.8	10.7	90	96	795	654	625	482	75.8	83/-	571.9	460.5	18.3	19.1	82/8	86/10	153/8	156/5	167/11	163/8		
Anglo American	Brakpan	12	1,593	4.8	257	16.7	25.2	19	23	841	729	1,672	1,492	28/7	31/4	202.7	198.6	2.4	2.7	236/-	235/7	1/8	2/1	13/10	15/6	
	Dagga	12	8,848	5.2	223	25.7	27.1	42	41	350	414	2,850	2,785	30.8	30/-	573.9	577.2	4.0	4.1	152/4	144/8	19/9	22/-	97/11	106/2	
	East Dagga	12	4,744	4.7	171	21.0	20.0	30	30	347	351	1,210	1,096	35/-	35/2	202.8	181.5	3.4	3.3	208/10	212/5	6/10	6/3	40/10	37/10	
	F.S. Geduld	3	2,766	20.9	928	2.4	2.6	95	91	1,154	1,369	280	222	77/1	77/3	238.6	164.3	17.0	14.8	90/7	104/2	135/9	108/5	159/7	146/2	
	P. Brand	3	3,804	18.1	977	2.3	1.7	86	80	970	1,067	347	290	60/5	63/-	285.8	217.3	16.5	15.0	73/4	84/1	145/9	124/9	177/-	166/6	
	P. Steyn	3	4,869	8.3	379	4.1	3.1	80	92	414	483	307	272	61/5	58/4	121.7	106.1	7.9	7.8	155/1	149/5	37/8	39/5	95/-	100/11	
	S. A. Lands	12	3,570	5.9	264	24.6	20.9	37	44	448	475	1,152	1,079	40/7	39/7	240.6	222.4	4.2	4.1	194/4	191/11	11/7	12/2	55/3	58/11	
	Springs	12	1,171	4.4	186	11.2	11.6	32	32	388	481	1,247	1,500	31/8	27/5	170.9	173.5	2.7	2.3	231/4	236/11	2/6	1/6	18/5	13/3	
	Vaal Reefs	12	2,950	9.4	373	32.9	32.0	82	75	577	528	1,088	883	64/11	61/6	490.9	399.0	9.0	9.0	143/11	136/1	47/9	51/9	105/10	114/5	
	Welkom	3	3,997	7.3	320	3.6	5.5	83	66	469	383	291	270	63/6	58/3	92.1	81.4	6.3	6.0	200/6	193/2	15/9	17/2	49/10	57/-	
	W. Holdings	3	4,730	16.0	757	4.5	3.6	86	90	1,045	951	414	296	57/9	58/3	269.3	173.1	13.0	11.7	88/9	99/7	105/-	88/1	161/5	150/7	
	W. Reefs	12	4,573	6.8	309	31.5	28.1	60	53	629	447	1,584	1,333	49/10	48/1	418.0	319.4	5.3	4.8	188/9	200/7	16/2	12/-	61/4	50/2	
Central Mining	Blyvoor	6	6,203	14.1	606	8.1	5.7	73	91	519	792	770	625	64/9	69/1	504.9	410.5	13.1	13.1	98/8	105/2	99/5	95/5	151/8	145/4	
	City Deep	12	3,461	5.9	240	19.8	14.9	34	41	330	314	1,353	1,511	50/7	48/-	282.2	300.1	4.2	4.0	242/5	241/8	1/7	1/7	7/5	8/2	
	Cons. M.R.	6	1,029	5.5	239	4.7	8.3	11	23	392	325	560	779	45/7	36/11	105.6	121.9	3.8	3.1	241/10	236/1	1/7	2/3	8/6	14/6	
	Crown	12	5,230	5.0	224	20.0	21.5	22	31	314	299	2,626	2,751	38/8	36/11	419.8	420.3	3.2	3.1	241/11	241/7	1/3	1/3	8/-	8/5	
	Durban Deep	12	7,747	4.0	230	44.6	40.8	54	55	329	321	2,296	2,200	40/7	39/8	423.6	398.3	3.7	3.6	220/2	218/11	5/7	5/7	30/1	31/-	
	E. Rand Prop.	12	5,427	6.3	298	12.5	7.4	38	35	434	443	2,625	2,669	54/7	50/7	684.7	675.8	5.2	5.1	209/5	199/8	10/7	12/9	40/7	50/3	
	Harmony	6	3,897	9.1	480	8.2	3.6	68	92	479	542	843	584	63/11	69/3	334.8	234.6	7.9	8.0	160/11	172/5	35/7	31/4	89/7	78/-	
	Modder E.	6	492	3.9	154	2.2	2.1	32	29	169	140	818	800	24/2	24/7	80.2	79.5	2.0	2.0	246/10	247/5	4d.	4d.	3/7	3/1	
	Rose Deep	12	79	7.1	334	1.1	3.0	45	47	303	285	434	615	35/7	32/11	61.7	82.0	2.8	2.7	250/7	247/11	3d.	4d.	1/11	2/5	
	T'vaal G.M.E.	12	115	9.6	—	5.6	2.3	32	48	311	391	84	168	69/9	42/11	22.9	27.9	5.5	3.3	255/11	258/7	5/1	3/9	18/9	22/7	
	J.C.L.	E. Ch'p d'Or	12	132	0.9	27	7.1	10.2	30	35	36	41	144	151	51/10	51/1	3.6	4.3	0.5	0.6	—	—	13/8	11/9	—	—
		Freddies C.	12	1,005	5.5	220	5.7	5.6	65	61	383	416	708	639	74/-	85/11	169.9	178.7	4.8	5.6	308/3	307/4	L12/8	L14/7	L52/9	L52/3
Govt. G.M.A.		12	328	5.9	419	0.1	1.7	62	29	230	262	635	747	52/6	48/7	113.5	125.3	3.6	3.4	293/8	289/5	1/-	5/8	4d.	4d.	
Randfontein		12	285	4.7	240	0.6	0.4	67	50	315	430	415	311	39/4	38/2	72.0	51.2	3.5	3.3	—	—	4/7	3/11	—	—	
Union Corporation	E. Geduld	12	7,250	5.9	313	3.2	6.9	47	51	174	221	1,653	1,547	34/6	34/8	493.9	475.8	6.0	6.2	115/4	112/9	40/2	42/2	134/7	137/1	
	Geduld Prop.	12	400	3.8	224	7.0	6.7	46	48	391	373	879	929	39/3	38/4	165.8	153.9	3.8	3.3	207/11	231/4	8/1	3/1	42/8	18/7	
	Grootvlei	12	12,500	4.5	216	20.5	16.2	56	38	300	209	2,555	2,360	30/9	31/6	538.3	502.1	4.2	4.3	146/1	148/-	21/10	21/8	103/9	101/9	
	Marievale	12	5,400	5.0	235	19.4	22.9	37	31	222	233	1,135	891	37/1	41/8	278.0	232.6	4.9	5.2	151/3	159/6	24/2	23/7	98/9	90/4	
	St. Helena	12	4,000	7.5	412	21.8	23.4	58	48	767	520	1,810	1,468	42/7	41/9	558.4	429.2	6.2	5.8	138/-	142/8	34/7	31/4	112/-	107/2	
	Van Dyk	12	250	3.9	195	10.7	11.4	26	20	299	304	891	913	39/7	39/8	166.8	168.1	3.7	3.7	211/5	215/3	7/3	6/4	38/7	34/7	
	Winkelhaak	12	1,600	6.8	408	24.0	21.0	79	66	518	373	908	—	51/11	—	235.1	—	5.2	—	200/6	—	12/11	—	49/11	—	
General Mining	Buffelsfontein	6	3,034	9.8	601	9.2	14.6	88	99	636	684	867	721	55/7	53/8	331.9	243.5	7.7	6.8	145/1	158/10	40/3	30/11	105/2	91/6	
	Ellaton	6	310	8.6	362	1.0	1.6	50	69	389	440	183	190	39/9	38/2	42.3	44.4	4.6	4.7	172/-	163/4	18/1	20/4	78/4	87/-	
	Stilfontein	12	5,265	9.4	380	28.4	16.2	72	79	346	482	1,754	1,399	62/7	57/1	830.9	699.2	9.5	10.0	132/1	114/3	55/11	67/10	118/-	135/8	
	S. Roodepoort	6	1,097	4.8	226	4.7	8.6	40	23	238	310	180	179	44/10	43/7	42.9	42.3	4.8	4.7	188/2	184/5	15/-	15/3	62/10	65/2	
	W. Rand Cons.	12	4,759	3.4	166	23.7	17.8	65	73	293	356	1,639	1,542	—	—	258.3	247.5	2.0	2.0	—	—	—	—	—	—	
Anglo T'vaal	Hartebeest	6	2,633	9.7	378	17.2	17.2	85	95	397	464	577	522	65/4	65/-	295.9	286.3	10.3	11.0	127/5	118/6	63/-	72/3	122/10	131/10	
	Loraine	3	1,092	5.2	201	2.9	1.2	58	31	590	438	240	222	55/6	54/-	48.4	43.4	4.0	3.9	274/1	276/11	L4/10	L5/2	L23/10	L26/4	
	Rand Leases																									

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED

GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1959

(All Companies mentioned are incorporated in the Union of South Africa)

DEVELOPMENT VALUES

The development values in all these Companies' Reports represent actual results of sampling, no allowance having been made for adjustments which are necessary in estimating ore reserves.

WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	413,500	419,500
Ounces fine	111,981	111,030
Yield per ton—dwt.	5.42	5.29
Cost per ton milled	50s. 2d.	49s. 5d.
Profit per ton milled	17s. 7d.	16s. 9d.
Uranium		
Uranium oxide produced—lb.	165,942	174,078
Yield per ton treated—lb.	0.374	0.329
WORKING RESULTS		
Gold—Working profit	£364,045	£350,763
Uranium (estimated)		
Treatment costs	£286,117	£292,290
Working profit	£438,994	£433,591
Sulphuric acid:		
Working Profit	£49,476	£48,254
Total Working Profit	£852,515	£832,608

The estimated total working profit for the year ended 31st December, 1959, is £3,195,513 (1958—£2,689,541).

FINANCIAL

Taxation and State's share of profits—estimated	£412,000	£377,000
Uranium loan repayments (including interest)	£169,182	£169,182
Capital expenditure	£54,186	£22,989
The total net capital expenditure for the year ended 31st December, 1959 is £137,583.		

DEVELOPMENT

Mining Lease Area (including Goedgenoeg area over which the Minister of Mines has agreed to grant a lease).

(a) Ventersdorp Contact and Elsburg Reefs:

Footage driven	3,674	8,360
Feet sampled	2,465	1,990
Feet payable	1,470	800
Percentage payability	59.6	40.2
Average gold value—dwt. per ton	9.81	12.43
Average uranium oxide value—lb. per ton	0.56	0.38
Width—inches	51.26	47.01
Equivalent inch-dwt.	503	584
Equivalent inch-lb.	28.63	17.97

(b) Vaal Reef:

Footage driven	13,184	15,550
Feet sampled	5,245	7,405
Feet payable	4,050	5,215
Percentage payability	77.2	70.4
Average gold value—dwt. per ton	77.43	54.13
Average uranium oxide value—lb. per ton	4.39	3.48
Width—inches	10.48	12.13
Equivalent inch-dwt.	811	657
Equivalent inch-lb.	46.00	42.27

Outside Mining Lease Area (Results of development on Ventersdorp Contact and Elsburg Reefs on the Farm Nootgedacht No. 434.)

Footage driven	12,167	7,001
Feet sampled	4,290	3,810
Feet payable	2,125	1,800
Percentage payability	49.5	47.2
Average gold value—dwt. per ton	11.79	11.18
Average uranium oxide value—lb. per ton	0.31	0.24
Width—inches	51.03	43.36
Equivalent inch-dwt.	602	485
Equivalent inch-lb.	15.92	10.58

ORE RESERVE

	As at 31st Dec., 1959	As at 31st Dec., 1958
Tons	4,573,200	4,305,900
Average gold value—dwt.	6.85	6.33
Average width—inches	45.06	44.11
Average uranium oxide value—lb.	0.59	0.538
Additional ore reserve developed in prospect licences outside mining lease area (Nootgedacht area):		
Tons	1,137,300	749,100
Average gold value—dwt.	6.18	6.06
Average width—inches	57.01	53.35
Average uranium oxide value—lb.	0.22	0.220

FREE STATE GEDULD MINES, LIMITED

	Quarter ended 31st Dec. 1959	Quarter ended 30th Sept. 1959
OPERATING RESULTS		
Tons milled	280,500	272,000
Ounces fine	238,576	221,741
Yield per ton—dwt.	17.01	16.30
Cost per ton milled	77s. 1d.	78s. 8d.
Profit per ton milled	135s. 9d.	125s. 4d.
Working profit	£1,904,249	£1,704,057

FINANCIAL

No taxation and no share of profits are as yet payable to the State.

Capital Expenditure	£277,676	£374,003
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DEVELOPMENT

Footage driven	26,307	24,422
Feet sampled	2,355	4,640
Feet payable	2,235	4,410
Percentage payability	94.9	95.0
Average value—dwt. per ton	195.93	248.95
Width—inches	5.89	5.25
Equivalent inch-dwt.	1,154	1,307

The results obtained in the areas of the individual shafts were:—

No. 1 Shaft Area

Feet sampled	1,090	2,295
Feet payable	990	2,080
Percentage payability	90.8	90.6
Average value—dwt. per ton	118.67	152.89
Width—inches	7.07	5.71
Equivalent inch-dwt.	839	873

No. 2 Shaft Area

Feet sampled	1,265	2,345
Feet payable	1,245	2,330
Percentage payability	98.4	99.4
Average value—dwt. per ton	283.84	350.72
Width—inches	4.95	4.83
Equivalent inch-dwt.	1,405	1,694

SHAFT SINKING

No. 1A Ventilation Shaft

Footage sunk in the quarter was 1,251 feet, the depth to date being 1,455 feet.

BRAKPAN MINES, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		

Gold		
Tons milled	425,000	424,000
Ounces fine	51,705	51,462
Yield per ton—dwt.	2.43	2.43
Cost per ton milled	28s. 7d.	28s. 7d.
Profit per ton milled	1s. 10d.	1s. 9d.
Working profit	£38,465	£37,655

The total working profit for the year ended 31st December, 1959, was £139,976. (1958—£151,454).

FINANCIAL

Taxation and State's share of profits—estimated	£1,000	£4,000
Capital expenditure	Cr. £1,133	Cr. £12,877
The net capital expenditure for the year ended 31st December, 1959, was £8,096 (Cr.).		

DEVELOPMENT

Footage driven	6,543	6,584
Feet sampled	4,650	3,780
Feet payable	1,160	670
Percentage payability	24.9	17.7
Average value—dwt. per ton	16.15	13.46
Width—inches	39.95	77.60
Equivalent inch-dwt.	645	1,044

ORE RESERVE

	At 31st Dec., 1959	At 31st Dec., 1958
Tons	1,593,000	1,940,000
Average value—dwt.	4.79	4.85
Stopping width—inches	53.59	52.81

SPRINGS MINES, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold	1959	1959
Tons milled	311,000	314,000
Ounces fine	42,802	43,071
Yield per ton—dwt.	2.75	2.74
Cost per ton milled	31s. 8d.	31s. 5d.
Profit per ton milled	2s. 9d.	2s. 11d.
Working Profit	£42,484	£45,482
Total working profit for year ended 31st December, 1959, was £157,632 (1958—£93,538).		
FINANCIAL		
Taxation and State's share of profits—estimated	Cr. £9,000	£10,000
Capital recoupments	£16,115	£649
Estimated capital recoupments for year ended 31st December, 1959, were £16,764.		
DEVELOPMENT		
Footage driven	3,737	3,804
Feet sampled	2,830	2,925
Feet payable	790	950
Percentage payability	27.9	32.5
Average value—dwt. per ton	15.90	21.27
Width—inches	19.62	19.06
Equivalent inch-dwt.	312	405
ORE RESERVE		
	At 31st Dec., 1959	At 31st Dec., 1958
Tons	1,171,000	1,510,000
Average value—dwt.	4.41	4.39
Stoping width—inches	42.25	41.96

PRESIDENT STEYN GOLD MINING COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold	1959	1959
Tons milled	307,000	314,000
Ounces fine	121,670	123,115
Yield per ton—dwt.	7.93	7.84
Cost per ton milled	61s. 5d.	59s. 8d.
Profit per ton milled	37s. 8d.	38s. 8d.
Uranium (Joint Production Scheme)		
Lb. apportioned	70,919	69,682
Yield per ton on lb. apportioned	0.262	0.255
WORKING RESULTS		
Gold—Working Profit	£577,875	£606,998
Uranium (estimated)	£143,457	£136,762
Treatment costs	£179,950	£176,680
Working profit	£757,825	£783,678
FINANCIAL		
No taxation and no share of profit are as yet payable to the State.		
Capital expenditure: gold and uranium including contributions towards capital cost of Welkom Gold Mining Company uranium plant less recoupments	£386,275	£538,176
Interest charges (excluding interest on uranium loans)	£38,197	£31,479
Uranium Loan Instalment (including interest)	£122,887	£122,887
DEVELOPMENT		
Total footage driven	16,550	17,878
Basal Reef		
Feet sampled	3,720	4,010
Feet Payable (Gold)	3,320	3,590
Percentage Payability (Gold)	89.2	89.5
Average gold value—dwt. per ton	28.56	30.35
Average uranium oxide value—lb. per ton	1.21	1.02
Width—inches	14.54	14.89
Equivalent inch-dwt.	415	452
Equivalent inch-lb.	17.58	15.22
Leader Reef		
Feet Sampled	380	570
Feet Payable (Gold)	10	85
Percentage Payability (Gold)	2.6	14.9
Average gold value—dwt. per ton	4.44	6.71
Average uranium oxide value—lb. per ton	0.57	0.81
Width—inches	52.50	46.00
Equivalent inch-dwt.	233	309
Equivalent inch-lb.	29.98	37.26

SHAFT SINKING

No. 3 Main Shaft

Footage sunk in quarter was 1,589 feet, the depth to date being 1,794 feet.

No. 3 Ventilation Shaft

Footage sunk in quarter was 117 feet, the depth to date being 317 feet.

It was with the deepest regret that the board of directors announced on December 24th that two Europeans and 22 Africans had been killed in an accident on December 23rd on the 27 North Haulage of No. 1 Shaft.

THE SOUTH AFRICAN LAND AND EXPLORATION COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold	1959	1959
Tons milled	281,500	300,000
Ounces fine	58,693	62,351
Yield per ton—dwt.	4.17	4.16
Cost per ton milled	41s. 4d.	40s. 4d.
Profit per ton milled	10s. 9d.	11s. 7d.
Working profit	£151,821	£174,439
The total working profit for the year ended 31st December, 1959, was £664,882 (1958—£655,168).		
Taxation and State's Share of Profits—estimated	Cr. £11,000	£17,000
Capital expenditure	£502,988	£101,940
The total net capital for the year ended 31st December, 1959, was £791,661.		
DEVELOPMENT		
Mining Lease Area		
Footage driven	7,278	4,598
Feet sampled	3,335	2,985
Feet payable	1,110	935
Percentage payability	33.3	31.3
Average value—dwt. per ton	13.55	19.87
Width—inches	26.66	28.14
Equivalent inch-dwt.	361	559
Outside Mining Lease Area (Withok No. 131 I.R.)		
Footage driven	5,012	8,038
Feet sampled	3,575	4,605
Feet payable	1,555	1,560
Percentage payability	43.5	33.9
Average value—dwt. per ton	18.77	21.34
Width—inches	23.03	17.53
Equivalent inch-dwt.	432	374
ORE RESERVE		
	At 31st Dec., 1959	At 31st Dec., 1958
Tons	3,569,500	3,518,500
Average value—dwt.	5.93	5.74
Stoping width—inches	44.58	44.45
Included in the above are the following Ore Reserves:		
Tons	358,000	—
Average Value—dwt.	8.36	—
Stoping width—inches	43.88	—

No. 3A SHAFT

Work preliminary to sinking is in progress on the site of the new No. 3A Shaft.

VAAL REEFS EXPLORATION AND MINING COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold	1959	1959
Tons milled	290,000	289,000
Ounces fine	130,501	130,050
Yield per ton—dwt.	9.00	9.00
Cost per ton milled	64s. 7d.	65s. 8d.
Profit per ton milled	48s. 6d.	46s. 10d.
Uranium		
Uranium oxide produced—lb.	141,128	150,661
Yield per ton treated—lb.	0.718	0.800
WORKING RESULTS		
Gold—Working profit	£695,400	£676,927
Uranium (estimated)	£123,025	£116,543
Treatment costs	£435,992	£436,713
Working profit	£1,131,392	£1,113,640
The estimated total working profit for the year ended 31st December, 1959, was £4,316,438 (1958—£3,917,800).		
FINANCIAL		
No taxation and no share of profits are as yet payable to the State.		
Capital Expenditure	£589,972	£485,215
The total net capital expenditure for the year ended 31st December, 1959, was £1,963,698.		
Uranium Loan Repayments (including interest)	£70,158	£70,158
DEVELOPMENT		
Footage driven	25,153	25,920
Feet sampled	7,185	8,955
Feet Payable	5,705	7,395
Percentage Payability	79.4	82.6
Average gold value—dwt. per ton	70.81	85.43
Average Uranium oxide—lb. per ton	4.76	5.74
Width—inches	7.64	6.93
Equivalent inch-dwt.	541	592
Equivalent inch-lb.	36.39	39.79
ORE RESERVE		
	As at 31st Dec., 1959	As at 31st Dec., 1958
Tons	2,950,000	2,281,000
Average gold value—dwt.	9.369	9.424
Stoping width—inches	39.76	39.95
Average uranium oxide value—lb.	0.744	0.763
SHAFT SINKING		
No. 2 Main Shaft		
Footage sunk in quarter was 2,426 feet, shaft depth being 4,480 feet at end of quarter.		
No. 2 Ventilation Shaft		
Footage sunk in quarter was 1,662 feet, shaft depth being 1,894 feet at end of quarter.		

DAGGAFONTEIN MINES, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	687,000	732,000
Ounces fine	138,647	145,269
Yield per ton—dwt.	4.04	3.97
Cost per ton milled	31s. 0d.	30s. 9d.
Profit per ton milled	19s. 6d.	18s. 11d.
Uranium		
Uranium oxide produced—lb.	158,477	154,382
Yield per ton treated—lb.	0.361	0.343
WORKING RESULTS		
Gold—Working profit	£670,664	£691,324
Uranium (Estimated)—		
Treatment costs	£222,968	£236,484
Working profit	£373,940	£364,992
Sulphuric Acid		
Working profit	£47,816	£46,451
Total Working Profit	£1,092,420	£1,102,767

The estimated total working profit for the year ended 31st December, 1959, was £4,467,740 (1958—£4,785,509).

FINANCIAL		
Taxation and State's Share of profits—estimated	£608,000	£597,000
Uranium Loan Repayments (including interest)	£140,775	£140,776
Capital expenditure	4,366	8,183
The total net capital expenditure for the year ended 31st December, 1959, was £78,102 (1958—£44,238).		

DEVELOPMENT		
Main Reef Leader		
Footage driven	4,085	3,775
Feet sampled	3,555	3,495
Feet payable	1,625	1,585
Percentage payability	45.7	45.4
Average gold value—dwt. per ton	19.43	15.19
Width—inches	16.41	18.23
Equivalent inch-dwt.	319	277
Kimberley Reef		
Footage driven	3,252	3,427
Feet sampled	2,925	3,160
Feet payable	860	1,255
Percentage payability	29.4	39.7
Average gold value—dwt. per ton	8.79	14.02
Average uranium oxide value—lb. per ton	0.47	0.96
Width—inches	37.64	28.94
Equivalent inch-dwt.	331	406
Equivalent inch-lb.	17.78	27.69

ORE RESERVE		
	At 31st Dec., 1959	At 31st Dec., 1958
Tons	8,847,500	9,786,000
Average gold value—dwt.	5.15	5.16
Stopping width—inches	43.29	43.19
Average uranium oxide value—lb. (Kimberley Reef)	0.375	0.420

WELKOM GOLD MINING COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	291,000	301,000
Ounces fine	92,130	93,716
Yield per ton—dwt.	6.33	6.23
Cost per ton milled	63s. 6d.	61s. 5d.
Profit per ton milled	15s. 9d.	16s. 7d.
Uranium (Joint Production Scheme)		
Lb. apportioned	66,148	65,121
Yield per ton on lb. apportioned	0.278	0.276
Gold—Working Profit	£229,462	£249,015
Uranium (estimated)		
Treatment costs	£126,287	£121,167
Working profit	£171,120	£169,430
Total Working Profit	£400,582	£418,445

FINANCIAL
Capital expenditure—gold and uranium, including contribution towards capital cost of President Steyn uranium plant, less recoupments : £54,227 (1958—£140,668.)

Taxation—No taxation and no share of profits are as yet payable to the State.		
Interest charges (excluding interest on Uranium Loans)	45,182	44,884
Loan repayments—5 per cent debentures	55,500	73,317
Uranium loan repayments (including interest)	127,645	127,645

DEVELOPMENT		
Footage driven	22,803	23,876
Feet sampled	3,640	5,235
Feet payable (gold)	3,020	4,055
Percentage payability (gold)	83.0	77.5
Average gold value—dwt. per ton	87.09	74.54
Average uranium oxide value—lb. per ton	3.56	2.84
Width—inches	5.39	5.70
Equivalent—inch-dwt.	469	425
Equivalent—inch-lb.	19.18	16.21

SHAFT SINKING**No. 2 Shaft**

Footage sunk in quarter was 235 feet, the depth to date being 4,403 feet.

WESTERN DEEP LEVELS LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
DEVELOPMENT (at present being carried out by West Driefontein Gold Mining Company, Limited, on behalf of this company).		
Ventersdorp Contact Reef		
Footage driven	639	407
Feet sampled	312	173
Feet payable	20	20
Percentage payability	6.4	11.6
Average value—dwt. per ton	57.67	17.49
Width—inches	6.00	23.50
Equivalent inch-dwt.	346	411
SHAFT SINKING		
No. 2 Shaft System		
Main shaft—footage sunk	809	850
Main shaft—footage in stations, pump chambers, etc.	236	164
Ventilation shaft—footage sunk	658	645
Ventilation shaft—footage in stations, pump chambers, etc.	158	162
No. 3 Shaft System		
Main shaft—footage sunk	423	856
Main shaft—footage in stations, pump chambers, etc.	784	470
Ventilation shaft—footage sunk	306	590
Ventilation shaft—footage in stations, pump chambers, etc.	1,329	966
Shaft depths at 31st Dec., 1959		
No. 2 Shaft System	5,203	2,375
Main shaft	4,770	2,235
Ventilation shaft		
No. 3 Shaft System		
Main shaft	6,140	3,027
Ventilation shaft	6,131	3,662

BUILDINGS AND PLANT

No. 3 Main Shaft Headgear. The height of the headgear was increased to 175 feet and the internal floor for the Koepe Rock winder was completed.

Reduction Plant. Site levelling for the Reduction Plant was commenced during the quarter.

Change Houses. The Change House building at No. 3 Shaft has been completed and work has commenced on the construction of the Change House at No. 2 Shaft.

Lamp Rooms. Work has started on the construction of the Lamp Room at No. 3 Shaft.

WESTERN HOLDINGS LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	414,000	409,000
Ounces fine	269,266	252,908
Yield per ton—dwt.	13.01	12.37
Cost per ton milled	57s. 9d.	57s. 4d.
Profit per ton milled	105s. 0d.	97s. 3d.
Working Profit	£2,174,011	£1,989,587
FINANCIAL		
Taxation and State's share of profits—estimated	£1,124,000	£803,000
Capital expenditure	£158,862	£272,233
DEVELOPMENT		
Footage driven	28,641	31,462
Feet sampled	4,545	4,665
Feet payable	3,925	4,380
Percentage payability	86.4	93.9
Average value—dwt. per ton	135.77	169.52
Width—inches	7.70	6.74
Equivalent inch-dwt.	1,045	1,143
Included in the development details given above are the following results obtained in the vicinity of No. 3 shaft :		
Footage driven	11,465	11,888
Feet sampled	1,865	1,680
Feet payable	1,615	1,610
Percentage payability	86.6	95.8
Average value—inch-dwt.	1,010	1,524

BOREHOLE RESULTS — Area South of Vaal River.

The following results were obtained in borehole CK.2 on the farm Chrystalkop No. 693, in the district of Viljoenskroon, Orange Free State. The Vaal Reef was intersected at a depth of 7,227 feet, assaying 8.88 dwt. of gold per ton over a true width of 62 inches, equivalent to 550 inch-dwt. Core recovery was incomplete and in a deflection of this borehole the Vaal Reef was intersected at a depth of 7,227 feet, assaying 20.3 dwt. of gold per ton over a true width of 62.5 inches, equivalent to 1,269 inch-dwt. The core recovery was complete and no further deflections will be made.

As recently announced by the Board of Directors of Free State Development and Investment Corporation, Limited, Borehole G.Z. 1, situated on the common boundary of the farms Grootvadersbosch No. 470 and Zuipung No. 394, in the district of Viljoenskroon, and drilled jointly with the company, has been stopped in footwall measures of the Vaal Reef at a depth of 7,562 feet. The Vaal Reef has not been intersected owing to its displacement by a fault. Deflections are being carried out to determine the dip and strike of the fault.

EAST DAGGAFONTEIN MINES, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	307,500	309,500
Ounces fine	52,181	52,254
Yield per ton—dwt.	3.39	3.38
Cost per ton milled	34s. 11d.	34s. 10d.
Profit per ton milled	7s. 6d.	7s. 4d.
Working Profit	£115,890	£113,187
The total working profit for the year ended 31st December, 1959, was £414,359 (1958—£349,763).		
FINANCIAL		
Taxation—estimated	£42,000	£45,000
Capital expenditure	Cr. £3,447	Cr. £300
The total net capital expenditure for the year ended 31st December, 1959, was £2,377 (Cr.).		
DEVELOPMENT		
Main Reef Leader		
Footage driven	1,471	1,817
Feet sampled	1,450	1,790
Feet payable	445	605
Percentage payable	30.7	33.8
Average value—dwt. per ton	15.41	14.34
Width—inches	19.85	17.03
Equivalent inch-dwt.	306	244
Kimberley Reef		
Footage driven	4,541	4,588
Feet sampled	2,880	3,385
Feet payable	580	660
Percentage payable	20.1	19.5
Average value—dwt. per ton	64.49	46.49
Width—inches	5.42	9.09
Equivalent inch-dwt.	350	423
ORE RESERVE		
	At 31st Dec., 1959	At 31st Dec., 1958
Tons	4,744,000	4,597,000
Average value—dwt.	4.67	4.51
Stopping width—inches	36.60	36.61

London Office: 40 Holborn Viaduct, E.C.1.

12th January, 1960.

PRESIDENT BRAND GOLD MINING COMPANY, LIMITED

	Quarter ended 31st December, 1959	Quarter ended 30th September, 1959
OPERATING RESULTS		
Gold		
Tons milled	347,000	358,000
Ounces fine	285,793	292,448
Yield per ton—dwt.	16.47	16.34
Cost per ton milled	60s. 5d.	59s. 6d.
Profit per ton milled	145s. 9d.	144s. 11d.
Uranium (Joint Production Scheme)		
Lb. apportioned	59,694	58,764
Yield per ton on lb. apportioned	0.246	0.243
WORKING RESULTS		
Gold—Working profit	£2,529,027	£2,593,423
Uranium (estimated)		
Treatment costs	£128,997	£121,290
Working profit	136,900	135,350
Total Working Profit		
	£2,665,927	£2,728,773
FINANCIAL		
Taxation and State's Share of Profit (estimated)	£1,224,000	£1,177,420
Capital Expenditure		
Gold and uranium including contributions towards capital cost of President Steyn and Welkom uranium plants	£534,096	£689,217
DEVELOPMENT		
Footage driven	19,800	17,705
Feet sampled	2,315	2,445
Feet payable	1,990	1,950
Percentage payable	86.0	79.8
Average gold value—dwt. per ton	138.14	82.69
Average uranium oxide value—lb. per ton	2.44	1.35
Width—inches	7.02	9.92
Equivalent inch-dwt.	970	
Equivalent inch-lb.	17.13	13.38
SHAFT SINKING		
No. 3 Ventilation Shaft		
Footage sunk in quarter was 1,191 feet, the depth to date being 4,161 feet.		
No. 3 Main Shaft		
Footage sunk in quarter was 788 feet, the depth to date being 4,246 feet.		

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
W. C. SQUIRE, Joint London Secretary.

SPAARWATER GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS For the Quarter ended 31st December, 1959

Tons milled	32,600	
Total yield ounces fine	10,190	6.252
Total yield per ton (dwt.)		
	£	Per Ton Milled
Working Revenue	127,400	78 2
Cost of Mining and Milling	103,500	63 6
Excess of Revenue over Cost of Mining and Milling	23,900	14 8
Expenditure on Development	22,144	13 7
Working Profit	1,756	1 1
Expenditure on Capital Account		Nil
Government Taxes		Nil
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund		Cr. £579

DEVELOPMENT

The total footage advanced during the quarter amounted to 2,894 feet. The footage sampled amounted to 2,865 feet, of which 740 feet, equal to 25.8 per cent., proved payable at an average value of 6.2 dwt. per ton over an estimated stopping width of 36.5 inches, equivalent to 226 inch-dwt.

WESTERN SECTION OF MINE

Development in the Western Section continued during the quarter. The footage sampled amounted to 1,395 feet, of which 225 feet, equal to 16.1 per cent., proved payable at an average value of 6.9 dwt. per ton over an estimated stopping width of 36.0 inches, equivalent to 248 inch-dwt.

In addition 43 Int. W. 15 Haulage was advanced a total distance of 319 feet on reef under prospecting permission in the area outside the western boundary of the mine. The footage sampled amounted to 285 feet, all of which proved unpayable.

Development returns show the actual sampling results; adjustments which may be required when estimating ore reserves have not been applied.

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120, Moorgate, London, E.C.2.

13th January, 1960.

WITWATERSRAND NIGEL, LIMITED

(Incorporated in the Union of South Africa)

REPORT OF THE DIRECTORS For the Quarter ended 31st December, 1959

PRODUCTION		
Tons Milled	55,900	
Yield (in oz. fine)	13,038	
Yield per Ton Milled (dwts.)	4.665	
		Per Ton Milled
Working Revenue	£163,079	58 4
Working Costs	149,937	*53 8
Working Profit	13,142	4 8
Add Sundry Revenue	£1,800	
NET PROFIT	£14,942	

(*230s. per oz. fine)

CAPITAL EXPENDITURE

The Capital Expenditure for the Quarter amounted to £454.

DEVELOPMENT

Development Footage	5,143 feet
Footage on Reef	3,527 feet
Footage Sampled	3,485 feet

The payable reef disclosures were as follows:—

1,080 feet, or 31%, averaging 14.25 dwts. per ton over a width of 16.46 inches, equivalent to 235 inch-dwts.

(No allowance has been made in the above results for adjustments necessary before calculation of the corresponding Ore Reserve.)

By Order of the Board,

E. A. O'CONNOR, London Secretary.

London Office: 120 Moorgate, London, E.C.2.

21st January, 1960.

GOLD FIELDS GROUP COMPANIES

49 MOORGATE, LONDON, E.C.2.

Directors' Reports of Gold Mining Companies operating in the Union of South Africa, for Quarter ended 31st December, 1959.

(All Companies mentioned are incorporated in the Union of South Africa, unless otherwise stated.)

DOORNFONTEIN GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £4,914,000 IN 9,828,000 SHARES OF 10s. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
PRODUCTION		
Tons milled	283,000	567,000
Total yield ounces fine	115,248	230,495
Yield per ton milled (dwt.)	8.145	8.130
Working Revenue per ton milled	102s. 0d.	101s. 10d.
Working Expenditure per ton milled	61s. 11d.	61s. 8d.
Working Profit per ton milled	40s. 1d.	40s. 2d.
Working Revenue	£1,442,925	£2,886,048
Working Expenditure	875,229	1,748,353
Working Profit	£567,696	£1,137,695
Uranium Oxide		
Tons treated in leaching plant	79,000	159,000
Total yield Uranium Oxide (lb.)	24,398	50,452
Yield per ton treated—Uranium oxide (lb.)	0.309	0.317
Uranium Oxide sold (lb.)	22,432	48,486
Revenue (subject to adjustment)	£109,040	£219,347
Treatment Costs	£40,482	£82,710
Service Fee paid to West Driefontein	£24,558	£49,637
Profit	£44,000	£87,000
Total Working Profit	£611,696	£1,224,695
Capital Expenditure	£113,802	£195,707
Uranium Loan Instalment	£9,900	£19,800
State's Share of Profit	Nil	Nil
Taxation	Nil	Nil
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £665	Cr. £665

NOTE.—The West Driefontein Uranium Plant, to which this Company and West Driefontein Gold Mining Company Limited contribute uranium bearing slime for the extraction of uranium oxide, was allocated a quota of 276,200 lbs. of uranium oxide for sale to the Combined Development Agency during the twelve months ended 31st December, 1959.

DEVELOPMENT		
Footage Advanced	15,293	29,318
Footage Sampled	7,950	15,480
Payable—Footage	7,270	14,055
Per Cent.	91.4	90.8
Stope Width (in.)	41.3	41.3
Stope Value—Gold (dwt./ton)	12.7	12.5
Inch-dwt. Gold	525	516
Stope Value—Uranium oxide (lb./ton)	0.25	0.22
Inch-lb. Uranium oxide	10.3	9.1

DIVIDEND.—A dividend (No. 6) of 1s. 6d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

THE SUB NIGEL LIMITED

ISSUED CAPITAL £22,148 IN 1,771,875 SHARES OF 3d. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
OPERATIONS		
Tons milled	197,000	396,500
Total yield ounces fine	46,270	93,674
Yield per ton milled (dwt.)	4.697	4.725
Working Revenue per ton milled	58s. 10d.	59s. 2d.
Working Expenditure per ton milled	53s. 4d.	53s. 1d.
Working Profit per ton milled	5s. 6d.	6s. 1d.
Working Revenue	£579,535	£1,172,589
Working Expenditure	525,763	1,052,658
Working Profit	£53,772	£119,931
Capital Expenditure	Cr. £5,789	Cr. £6,281
Taxation	£20,202	£50,440
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £13,820	Cr. £13,820
DEVELOPMENT		
Footage Advanced	5,822	12,110
Footage Sampled	5,280	10,955
Payable—Footage	1,395	3,080
Per Cent.	26.4	28.1
Stope Width (in.)	39.4	38.7
Stope Value (dwt./ton)	9.7	9.5
Inch-dwt.	382	368

REPAYMENT OF CAPITAL. A repayment of capital (No. 3) of 1s. 3d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

RIETFontein CONSOLIDATED MINES LIMITED.

ISSUED CAPITAL £14,028 IN 1,122,252 SHARES OF 3d. EACH

	Quarter ended 31st Dec., 1959	Year ended 31st December, 1959
OPERATIONS		
Tons milled	48,000	192,000
Total yield ounces fine	12,845	50,910
Yield per ton milled (dwt.)	5.352	5.303
Working Revenue per ton milled	67s. 1d.	66s. 4d.
Working Expenditure per ton milled	57s. 2d.	56s. 10d.
Working Profit per ton milled	9s. 11d.	9s. 6d.
Working Revenue	£160,968	£636,597
Working Expenditure	137,198	545,391
Working Profit	£23,770	£91,206
Capital Expenditure	Nil	£203
Taxation	£11,141	£37,549
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £1,264	Cr. £1,264
DEVELOPMENT		
Footage Advanced	3,230	16,787
Footage Sampled	1,715	6,020
Payable—Footage	520	2,580
Per Cent.	30.3	42.9
Stope Width (in.)	54.4	53.8
Stope Value (dwt./ton)	8.3	7.0
Inch-dwt.	452	377

In addition 596 feet of exploratory development was carried out under prospecting permit outside the south-western boundary of the mine during the quarter ended 31st December, 1959.

ORE RESERVE AT 31st DECEMBER, 1959

	Width (in.)	STOPE Value (dwt./ton)	Inch-dwt.
Tonnage—117,000	54.9	5.5	302

REPAYMENT OF CAPITAL. A repayment of capital (No. 4) of 8d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

VLAKFontein GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £3,000,000 IN 6,000,000 SHARES OF 10s. EACH

	Quarter ended 31st December, 1959	Year ended 31st December, 1959
OPERATIONS		
Tons milled	153,500	609,500
Total yield ounces fine	55,119	218,552
Yield per ton milled (dwt.)	7.182	7.172
Working Revenue per ton milled	89s. 10d.	89s. 7d.
Working Expenditure per ton milled	55s. 10d.	55s. 8d.
Working Profit per ton milled	34s. 0d.	33s. 11d.
Working Revenue	£689,785	£2,730,051
Working Expenditure	428,677	1,696,184
Working Profit	£261,108	£1,033,867
Capital Expenditure	Cr. £18,571	Cr. £12,511
Taxation	£122,120	£494,107
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £3,699	Cr. £3,699
DEVELOPMENT		
Footage Advanced	10,940	41,791
Footage Sampled	9,530	34,265
Payable—Footage	3,930	14,500
Per Cent.	41.2	42.3
Stope Width (in.)	41.5	41.6
Stope Value (dwt./ton)	10.0	9.2
Inch-dwt.	415	383

ORE RESERVE AT 31st DECEMBER, 1959

	Width (in.)	STOPE Value (dwt./ton)	Inch-dwt.
Tonnage—1,638,000	41.5	7.9	328

DIVIDEND.—A Dividend (No. 33) of 1s. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

ROBINSON DEEP LIMITED.

ISSUED CAPITAL £550,000 IN 2,000,000 "B" SHARES OF 5s. 6d. EACH

	Quarter ended 31st December, 1959	Year ended 31st December, 1959
OPERATIONS		
Tons milled	160,000	685,500
Total yield ounces fine	30,132	140,812
Yield per ton milled (dwt.)	3.767	4.108
Working Revenue per ton milled	47s. 2d.	51s. 4d.
Working Expenditure per ton milled	52s. 8d.	54s. 8d.
Working Loss per ton milled	5s. 6d.	3s. 4d.
Working Revenue	£377,484	£1,759,521
Working Expenditure	421,212	1,873,760
Working Loss	£43,728	£114,239
Capital Expenditure	£25,554	£49,666
Taxation	Nil	Nil
Pneumoconiosis Refund—Outstanding Liabilities	Cr. £29,480	Cr. £29,480
DEVELOPMENT		
Footage Advanced	1,158	3,502
Footage Sampled	595	2,675
Payable—Footage	—	1,408
Per Cent	—	52.5
Stope Width (in.)	—	47.6
Stope Value (dwt./ton)	—	7.3
Inch-dwt.	—	347

Operating results for the quarter ended 31st December, 1959, were adversely affected by the lower than expected grade of the ore mined from some of the longwall connections at depth.

ORE RESERVE AT 31st DECEMBER, 1959

	Width (in.)	STOPE Value	Inch-dwt.
Tonnage—444,000	52.1	dwt./ton	229

LIBANON GOLD MINING COMPANY LTD.

ISSUED CAPITAL £3,968,650 IN 7,937,300 SHARES OF 10s. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
OPERATIONS		
Tons milled	336,000	663,000
Total yield ounces fine	79,116	155,674
Yield per ton milled (dwt.)	4.709	4.696
Working Revenue per ton milled	59s. 0d.	58s. 10d.
Working Expenditure per ton milled	47s. 8d.	47s. 8d.
Working Profit per ton milled	11s. 4d.	11s. 2d.
Working Revenue	£990,529	£1,948,932
Working Expenditure	800,770	1,578,981
Working Profit	£189,759	£369,951
Capital Expenditure	£96,129	£226,316
Taxation	Nil	Nil
Pneumoconiosis Refund—Outstanding Liabilities	Cr. £2,602	Cr. £2,602
DEVELOPMENT		
Footage Advanced	18,708	38,259
Footage Sampled	5,155	9,100
Payable—Footage	3,830	6,490
Per Cent	74.3	71.3
Stope Width (in.)	50.2	48.8
Stope Value (dwt./ton)	7.2	6.9
Inch-dwt.	361	337

HARVIE-WATT SHAFT.—During the quarter ended 31st December, 1959, the Harvie-Watt Shaft was sunk a distance of 613 feet to a total depth of 4,917 feet. In addition, the excavation of Nos. 14, 15 and 16 stations was completed.

DIVIDEND.—A Dividend (No. 18) of 31d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

VENTERSPOST GOLD MINING COMPANY LIMITED

ISSUED CAPITAL £2,450,000 IN 4,900,000 SHARES OF 10s. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
OPERATIONS		
Tons milled	370,000	755,000
Total yield ounces fine	94,742	190,954
Yield per ton milled (dwt.)	5.121	5.058
Working Revenue per ton milled	64s. 2d.	63s. 4d.
Working Expenditure per ton milled	54s. 5d.	53s. 8d.
Working Profit per ton milled	9s. 9d.	9s. 8d.
Working Revenue	£1,186,586	£2,391,953
Working Expenditure	1,005,912	2,027,013
Working Profit	£180,674	£364,940
Capital Expenditure	£62,066	£69,514
Taxation	£43,284	£105,061
Pneumoconiosis Refund—Outstanding Liabilities	Cr. £10,086	Cr. £10,086
DEVELOPMENT		
Total—Footage Advanced	16,985	35,546
Footage Sampled	9,965	23,115
Payable—Footage	4,820	11,245
Per Cent	48.4	48.6
Stope Width (in.)	58.8	56.9
Stope Value (dwt./ton)	9.2	8.1
Inch-dwt.	841	461

DIVIDEND.—A dividend (No. 40) of 10½d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

SIMMER AND JACK MINES LIMITED

ISSUED CAPITAL £506,250 IN 6,750,000 SHARES OF 1s. 6d. EACH

	Quarter ended 31st December, 1959	Year ended 31st December, 1959
OPERATIONS		
Tons milled	231,000	1,006,000
Total yield ounces fine	45,016	192,333
Yield per ton milled (dwt.)	3.897	3.824
Working Revenue per ton milled	48s. 10d.	47s. 10d.
Working Expenditure per ton milled	50s. 6d.	49s. 0d.
Working Loss per ton milled	1s. 8d.	1s. 2d.
Working Revenue	£63,598	£2,403,994
Working Expenditure	£82,857	2,462,867
Working Loss	£19,259	£58,873
Capital Expenditure	£1,590	Cr. £1,963
State's Share of Profit	Nil	Nil
Taxation	Nil	Nil
Pneumoconiosis Refund—Outstanding Liabilities	Cr. £30,803	Cr. £30,803
DEVELOPMENT		
Total—Footage Advanced	8,499	35,047
Footage Sampled	6,755	25,480
Payable—Footage	2,160	8,780
Per Cent	32.0	34.5
Stope Width (in.)	45.6	44.2
Stope Value (dwt./ton)	5.6	6.0
Inch-dwt.	255	265

ORE RESERVE AT 31st DECEMBER, 1959

	Width (in.)	STOPE Value	Inch-dwt.
Tonnage—612,000	45.0	dwt./ton	194

WEST WITWATERSRAND AREAS LIMITED.

ISSUED CAPITAL £1,129,110 IN 9,032,883 SHARES OF 2s. 6d. EACH

The total footage drilled during the quarter amounted to 2,103 feet. The borehole situation at the end of December, 1959, is set out in the following tabulation:—

Borehole No.	Farm	Depth in feet at 31st December	Advance during Quarter (ft.)	Geological Division	Rock Types Encountered
21	Rietfontein No. 349	932	702	Traversed Pretoria Series.	Dolomite and chert.
22	Doornkloof No. 350	1,438	467	Pretoria Series.	Shale, quartzite, chert and quartz.
E.8K	Kleinfontein No. 141	290	290	Pretoria Series.	Soil, shale and quartzite.
E.8L	Kleinfontein No. 141	328	328	Dolomite Series.	Chert conglomerate
E.10E	Gerhardminnebron No. 139	1,167	316	Dolomite Series.	Soil, gravel and cavernous dolomite with wad, clay and rubble.
					Breccia of chert, quartz and dolomite. Cavernous dolomite, solid dolomite.

BOREHOLE NO. 21.—Drilling in this borehole continued in Pretoria shale to a depth of 650 feet, followed by dolomite to the present depth of 932 feet. Churn drilling has been suspended and a diamond drill is now being erected on the borehole.

BOREHOLE NO. 22.—This borehole traversed Pretoria Shales to a depth of 1,319 feet, followed by Pologround quartzite to a depth of 1,331 feet, followed by shale to a depth of 1,372 feet, followed by chert (Bevetts) conglomerate in which formation drilling was suspended at a depth of 1,438 feet on account of excessive deviation. The borehole was deflected at a depth of 142 feet and is being redrilled to correct the deviation. The redrilled borehole had attained a depth of 871 feet at the end of the quarter.

BOREHOLE NO. E.8K.—Drilling was commenced on the 9th October in this new borehole. The borehole traversed 10 feet of soil and rubble, followed by weathered shale of the Pretoria Series to a depth of 115 feet, followed by Pologround quartzite to a depth of 130 feet, followed by shale to a depth of 145 feet. At 145 feet the drill entered chert (Bevetts) conglomerate and drilling was being continued in this formation at the end of the month.

BOREHOLE NO. E.8L.—This new borehole was commenced on the 1st October, 1959. The formation traversed consisted of soil and rubble to a depth of 31 feet, followed by cavernous dolomite with wad, clay and chert rubble in the cavities to the present depth of 328 feet.

BOREHOLE NO. E.10E.—In this borehole drilling was continued in a breccia of chert and quartz to a depth of 989 feet, followed by a fissured and cavernous dolomite with bands of chert and quartz. Towards the end of the quarter the borehole entered fairly solid dolomite.

DIVIDEND. A dividend (No. 22) of 1/10½d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

WEST DRIEFONTEIN GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £3,520,540 IN 7,041,080 SHARES OF 10s. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
PRODUCTION		
Gold		
Tons milled	327,000	625,000
Total yield ounces fine	299,310	571,931
Yield per ton milled (dwt.)	18.306	18.302
Working Revenue per ton milled	229s. 5d.	229s. 4d.
Working Expenditure per ton milled	74s. 8d.	75s. 8d.
Working Profit per ton milled	154s. 9d.	153s. 8d.
Working Revenue	£3,751,027	£7,166,232
Working Expenditure	1,221,232	2,364,034
Working Profit	£2,529,795	£4,802,198
Uranium Oxide		
Tons treated in leaching plant	144,000	285,000
Total yield uranium oxide (lb.)	44,900	90,390
Yield per ton treated uranium oxide (lb.)	0.312	0.317
Uranium oxide sold (lb.)	41,305	86,795
Revenue (subject to adjustment)	£195,796	£392,400
Service Fee received from Doornfontein	24,558	49,637
Treatments Costs	70,354	142,037
Profit	£150,000	£300,000
Total Working Profit	£2,679,795	£5,102,198
Capital Expenditure	£317,949	£507,469
Uranium Loan Instalment	£75,600	£151,200
State's Share of Profit	£340,171	£633,767
Taxation	£904,083	£1,692,837
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £1,499	Cr. £1,499

NOTE.—The West Driefontein Uranium Plant, to which this Company and Doornfontein Gold Mining Company Limited contribute uranium-bearing slime for the extraction of uranium oxide was allocated a quota of 276,200 lb. of uranium oxide for sale to the Combined Development Agency during the twelve months ended 31st December, 1959.

DEVELOPMENT

Carbon Leader		
Footage Advanced	11,594	25,191
Footage Sampled	3,505	8,220
Payable—Footage	3,445	7,945
Per Cent	98.3	96.7
Stope Width (in.)	42.0	42.0
Stope Value—Gold (dwt./ton)	18.9	17.4
Inch-dwt.—Gold	794	731
Stope Value—Uranium Oxide (lb./ton)	0.30	0.24
Inch-lb.—Uranium Oxide	12.6	10.1
Ventersdorp Contact Reef		
Footage Advanced	5,089	7,765
Footage Sampled	1,570	2,560
Payable—Footage	1,205	1,755
Per Cent	76.8	68.6
Stope Width (in.)	42.2	43.7
Stope Value (dwt./ton)	18.4	24.8
Inch-dwt.	776	1,084

A total distance of 306 feet was advanced in the area held under Prospecting permit.

DIVIDEND.—A Dividend (No. 14) of 4s. 9d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

THE LUIPAARDS VLEI ESTATE AND GOLD MINING COMPANY LIMITED.

(Head Office: Johannesburg) (Incorporated in England)
ISSUED CAPITAL £496,911 IN 4,969,105 SHARES OF 2s. EACH

	Quarter ended 31st December, 1959	Six months ended 31st December, 1959
OPERATIONS		
Main Reef Section		
Tons milled	209,000	428,000
Total yield ounces fine	37,046	75,610
Yield per ton milled (dwt.)	3.545	3.533
Working revenue per ton milled	44s. 5d.	44s. 3d.
Working Expenditure per ton milled	43s. 0d.	42s. 9d.
Working Profit per ton milled	1s. 5d.	1s. 6d.
Working Revenue	£463,844	£947,095
Working Expenditure	449,206	915,054
Working Profit	£14,638	£32,041
Bird Reef Section		
Tons milled for gold and treated in leaching plant	154,000	310,000
Total yield gold ounces fine	4,636	9,313
Total yield uranium oxide (lb.)	198,067	396,666
Yield per ton treated uranium oxide (lb.)	1.286	1.280
Uranium oxide sold (lb.)	186,484	384,916
Working Revenue (subject to adjustment)	£817,272	£1,627,702
Working Expenditure	£883,602	£1,669,702
Mining and Milling	£448,398	£883,602
Treatment costs	89,874	186,100
Working Profit	538,272	1,069,702
Total Working Profit	£279,000	£558,000
TOTAL WORKING PROFIT	£293,638	£590,041

VOGELSTRUISBULT GOLD MINING AREAS LIMITED.

ISSUED CAPITAL £62,857 IN 5,028,571 SHARES OF 3d. EACH

	Quarter ended 31st December, 1959	Year ended 31st December, 1959
PRODUCTION		
Gold		
Tons milled	267,000	1,091,000
Total yield ounces fine	57,581	242,679
Yield per ton milled (dwt.)	4.313	4.449
Working Revenue per ton milled	54s. 2d.	55s. 9d.
Working Expenditure per ton milled	48s. 9d.	48s. 6d.
Working Profit per ton milled	5s. 5d.	7s. 3d.
Working Revenue	£723,645	£3,040,267
Working Expenditure	650,905	2,643,164
Working Profit	£72,740	£397,103
Uranium Oxide and Pyrite		
Tons treated in leaching plant	124,500	488,400
Total yield uranium oxide (lb.)	52,615	210,758
Yield per ton treated, uranium oxide (lb.)	0.423	0.432
Uranium Oxide Sold (lb.)	49,465	208,640
Total pyrite produced and sold (tons)	8,816	31,851
Revenue (subject to adjustment)	£275,712	£1,112,838
Treatment Costs	£115,712	£477,838
Working Profit	£160,000	£635,000
Total Working Profit	£232,740	£1,032,103
Taxation	£73,356	£349,998
Pneumoconiosis Refund—Outstanding Liabilities Trust Fund	Cr. £7,784	Cr. £7,784
Capital Expenditure	£133	£288,000
Uranium Loan Instalment	£72,000	£288,000

NOTE.—The Company was allocated a quota of 208,640 lbs. of uranium oxide for sale to the Combined Development Agency during the twelve months ended 31st December, 1959.

DEVELOPMENT

Main Reef		
Footage Sampled	5,135	16,440
Payable—Footage	1,320	5,055
Per Cent	25.7	30.7
Stope Width (in.)	40.1	41.3
Stope Value (dwt./ton)	7.1	6.4
Inch-dwt.	285	264
Kimberley Reef		
Footage Sampled	3,095	13,560
Payable—Footage	1,035	3,660
Per Cent	33.4	27.0
Stope Width (in.)	45.4	44.3
Gold: Value (dwt./ton)	5.1	5.3
Inch-dwt.	232	235
Uranium Oxide—Value (lb./ton)	0.23	0.29
Inch-lb.	10.4	12.8
Total Development		
Footage Advanced	10,589	43,696
Footage Sampled	8,230	30,000
Payable—Footage	2,355	8,715
Per Cent	28.6	29.1
Stope Width (in.)	42.4	42.6
Gold: Value (dwt./ton)	6.2	5.9
Inch-dwt.	263	251

ORE RESERVE AT 31st DECEMBER, 1959

Classification	Tonnage	Stope Width (in.)	GOLD (dwt./ton)	Inch-dwt.	URANIUM OXIDE (lb./ton)	Inch-lb.
Main Reef ..	913,000	39.7	4.9	195		
Kimberley Reef ..	667,000	43.5	4.9	213	0.45	19.6
Totals & Averages	1,580,000	41.2	4.9	202		

REPAYMENT OF CAPITAL.—A repayment of capital (No. 2) of 10d. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

THE LUIPAARDS VLEI ESTATE AND GOLD MINING COMPANY LIMITED.

(Head Office: Johannesburg) (Incorporated in England)
ISSUED CAPITAL £496,911 IN 4,969,105 SHARES OF 2s. EACH

	Quarter ended 31st Dec., 1959	Six months ended 31st Dec., 1959
OPERATIONS		
Main Reef Section (Gold)		
Footage Advanced	7,935	17,080
Footage Sampled	2,145	5,180
Payable—Footage	1,190	2,930
Per Cent	55.5	56.6
Stope Width (in.)	41.0	39.9
Stope Value (dwt./ton)	6.8	6.2
Inch-dwt.	279	247
Bird Reef Section (Uranium)		
Footage Advanced	7,935	17,080
Footage Sampled	2,145	5,180
Payable—Footage	1,190	2,930
Per Cent	55.5	56.6
Stope Width (in.)	41.0	39.9
Stope Value (dwt./ton)	6.8	6.2
Inch-dwt.	279	247

Prospecting of the area between the No. 1 and the Witpoortje faults by means of diamond drilling from surface was commenced during the quarter ended 31st December, 1959.

DIVIDEND.—A Dividend (No. 59) of 1s. per share was declared on 8th December, 1959, in Union of South Africa currency, payable on or about 5th February, 1960, to Members registered in the books of the Company at the close of business on 31st December, 1959.

FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £9,714,731 IN 19,429,462 SHARES OF 10s. EACH

NO. 1 SHAFT.—The footage advanced during the quarter amounted to 5,963 feet. The footage sample totalled 1,580 feet, of which 505 feet, equal to 32.0 per cent., proved payable at an average value of 7.8 dwt. per ton over an estimated stopping width of 53.6 in. equivalent to 418 inch-dwt. Progress was retarded by water bearing fissures requiring cementation treatment.

NO. 2 SHAFT.—The equipping of the shaft was completed during the period under review and work commenced on the change over in the headgear and the equipping of the Belt Level.

HOUSING.—A total of 412 houses has been authorised in Virginia Township. Of this number 239 have been built and 101 are in the course of construction.

REDUCTION WORKS.—Construction work on both plant and buildings continued satisfactorily.

NATIVE QUARTERS.—Work in connection with extensions to the living quarters in the Native Compound is progressing.

GENERAL.—General construction work proceeded satisfactorily.

Prospects for 1960

What are the prospects for 1960? One prominent fact about the Kaffir market in the past year, and particularly in the second half has been the increasingly selective nature of the buying. It has been rare for the market to advance or decline as a whole, even when general factors have been the main market influence. It is to be hoped that we may see the continuance of this healthy trend.

Perhaps the greatest potential risk of an ill-founded rise lies with section 6. Attracted by the apparently high yields available from the type of mine represented here, a great deal of "gold price" money has found its home in these older producers. As we have pointed out before, however, the prospects for these shares, should the increase eventuate, are certainly no better than those of the younger high-grade producers. Unlike the latter, where the scope for grade reduction is in most cases very restricted, most of the old mines would be in a position to make a prompt and substantial reduction in the average value stopped on the announcement of a revised gold price, so that the benefit to shareholders would be in terms of life rather than dividends.

Young High-Graders are Best

Again, mines like E. Dagga are today paying an extremely low rate of tax as a result of the sliding scale formula based on profitability. Should profits increase to any extent, therefore, the rate of tax levied would rise to a comparatively high level—indeed, this is one of the reasons why mill grades would inevitably be reduced where possible, should the gold price be raised. In any event, as a matter of history, although the immediate market effect of a substantial increase in the gold price might well be a sharp rise in the prices of the old low-grade mines, these shares have receded quite quickly in the subsequent period of consolidation and readjustment. It is the young, high-grade mines that maintain and improve on their appreciation, and, unless the investor is prepared to take a chance on his ability to time his profit-taking, it is, therefore, the young mines on which the investor should continue to concentrate. Consequently, it is again in this section of the market that we ought to see the greatest interest during 1960.

U.S. Gold Drain Slows

Meanwhile, the question of a possible rise in the gold price continues to occupy attention on both sides of the Atlantic. Although the rate of the drain on the U.S. gold reserves has slowed down to some extent during the past two months, there is some evidence that this may have been the result of the U.K. government deliberately allowing interest rates in Britain to get out of step with those in the

(Continued on page 13)

PRICE MOVEMENTS 1959 (Excluding mines returning capital)

	Price at end		Dividends				Gross Yield
	Dec. '58	Dec. '59	1958		1959		% Dec. 1959
			1	2	1	2	
1. WEST WITS.							
Blyvooruitzicht	24/10½	31/6	1/-	1/-	1/1	1/2	7.1
Doornfontein	32/3	35/6	1/-	1/6	1/6	1/6	8.5
Libanon	9/7½	18/8	3½	3½	3½	3½	3.1
Venterspost	16/6	23/9	10½	10½	10½	10½	7.4
W. Driefontein	121/3	211/-	3/9	4/-	4/3	4/9	4.2
Western Deep	—	54/6	—	—	—	—	—
2. KLERKSDORP							
Buffelsfontein	47/6	51/3	1/6	1/6	1/6	1/9	6.3
Hartebeestfontein	68/3	61/3	3/6	3/6	3/6	3/-	9.8*
Stillfontein	47/3	41/-	1/10½	1/10½	1/10½	1/7½	8.0*
Vaal Reefs	42/-	50/9	1/6	2/-	1/6	2/-	7.0
Western Reefs	29/3	34/-	1/3	1/3	1/3	1/3	7.3
Zandpan	—	18/-	—	—	—	—	—
3. ORANGE FREE STATE							
Freddies Consolidated	2/9	2/9	—	—	—	—	—
Free State Geduld	115/-	190/-	2/-	3/-	3/6	4/6	4.2
F. S. Saaiplaas	17/-	21/-	—	—	—	—	—
Harmony	38/10½	39/6	1/-	1/-	1/1½	1/3	6.0
Loraine	28/-	39/3	—	—	—	—	—
Merriespruit	6/-	2/4	—	—	—	—	—
President Brand	67/-	78/-	2/6	2/6	2/6	3/-	7.0
President Steyn	31/3	30/3	1/3	1/3	1/3	1/3	8.0
St. Helena	49/9	81/6	1/-	1/1	1/3	1/9	3.6
Virginia	8/10½	5/4	—	—	—	—	—
Welkom	20/6	22/6	3	3	3	3	2.2
Western Holdings	119/6	170/-	3/-	4/-	3/6	5/-	5.0
4. OLD GOLD/URANIUM							
Daggafontein	35/-	27/3	2/6	2/6	2/3	2/3	16.0
East Champ D'Or	1/10½	2/-	3	3	3	3	25.0
Luipaards Vlei	10/6	9/-	1/1	1/-	1/-	1/-	22.2
Randfontein	27/3	22/3	2/-	2/3	1/9	2/3	18.0
West Rand Cons.	28/-	23/6	2/-	2/3	2/-	2/3	18.1
5. OLD MINES VALUED LARGELY ON BREAK-UP							
City Deep	17/-	23/6	6	7½	7½	7½	5.3
Cons. Main Reef	19/6	20/9	1/3	1/6	1/6	1/3	13.1
Crown Mines	28/3	31/-	1/6	1/9	1/9	2/-	12.1
Modderfontein East	13/-	16/9	9	6	6	6	5.9
New Kleinfontein	4/1½	5/3	—	—	—	—	—
6. OTHER OLD MINES							
Durban Deep	34/-	42/6	1/6	1/6	1/6	1/6	7.0
East Daggafontein	9/3	11/3	7½	7½	7½	7½	11.1
East Geduld	26/3	26/9	1/9	1/11	1/9	1/11	13.6
East Rand Prop.	46/3	43/6	2/-	2/-	1/9	1/9	8.0
Geduld Prop.	67/-	83/-	5/-	6/3	4/9	5/-	11.7
Grootvlei	18/9	26/3	1/1	1/3	1/1	1/5	9.5
Marievale	25/6	31/3	1/1	1/5	1/4	1/7	9.3
S. A. Land & Explor.	23/-	16/6	1/6	1/6	1/3	6	6.0*
South Roodepoort	18/9	25/-	1/1½	1/1½	1/1½	1/1½	9.0
Spaarwater	1/2	1/2	—	—	—	—	—
Vlakfontein	18/9	22/6	11	1/-	11	1/-	8.5
Wit. Nigel	1/4½	1/5	1½	—	1½	—	9.0
7. SUNDRY NEW MINES							
Bracken	—	28/6	—	—	—	—	—
Leslie	—	20/4½	—	—	—	—	—
Winkelhaak	20/7½	25/-	—	—	—	—	—
Western Area	—	18/11	—	—	—	—	—

* Yields based on double December, 1959, dividend—all others on total 1959 declarations.

GENERAL MINING & FINANCE CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

GOLD-MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1959

All companies mentioned are incorporated in the Union of South Africa

	BUFFELSFONTEIN GOLD MINING COMPANY LIMITED			ELLATON GOLD MINING COMPANY LIMITED			SOUTH ROODEPORT MAIN REEF AREAS LIMITED			STILFONTEIN GOLD MINING COMPANY LIMITED			WEST RAND CONSOLIDATED MINES LIMITED		
	June 1959	Sept. 1959	Dec. 1959	June 1959	Sept. 1959	Dec. 1959	June 1959	Sept. 1959	Dec. 1959	June 1959	Sept. 1959	Dec. 1959	June 1959	Sept. 1959	Dec. 1959
PRODUCTION															
Gold:															
Tons milled	417,000	432,000	435,000	95,500	94,000	89,000	89,000	90,000	90,000	433,000	454,000	480,000	418,000	431,000	403,000
Ounces fine recovered	154,190	164,030	167,931	22,148	21,614	20,705	20,705	21,455	21,419	208,661	210,111	216,118	61,357	62,147	56,604
Yield per ton—dwt.	7.395	7.594	7.721	4.638	4.599	4.653	4.653	4.768	4.760	120/3	116/0	112/8	2.936	2.884	2.809
Revenue per ton milled	92/2	95/-	96/8	57/10	57/6	58/2	58/2	59/5	59/5	62/10	63/1	62/7	36/7	37/8	36/8
Cost per ton milled	54/3	55/5	55/8	39/6	39/6	40/-	40/-	44/10	44/11	57/5	52/11	50/1	35/2	35/2	34/9
Profit per ton milled	37/11	39/7	41/-	18/4	18/-	18/2	18/2	14/8	14/6	—	—	—	1/5	2/6	1/11
URANIUM: Tons milled	—	—	—	—	—	—	—	—	—	—	—	—	228,000	229,000	226,000
Tons treated	364,000	425,000	379,000	101,518	101,287	99,783	99,783	101,287	101,287	295,200	280,400	306,500	228,000	229,000	226,000
Uranium oxide produced—lb.	179,877	197,472	190,079	30,154	31,267	29,285	29,285	31,267	31,267	81,816	85,064	94,548	315,484	311,906	311,700
Yield per ton treated—lb.	0.4942	0.4646	0.5015	0.2970	0.3087	0.2935	0.2935	0.3087	0.3087	0.2772	0.3034	0.3068	1.384	1.362	1.379
Uranium oxide sold—lb.	191,751	191,750	191,765	30,800	30,800	30,800	30,800	—	—	85,941	85,940	90,949	312,397	311,906	311,531
URANIUM SECTION (WEST RAND CONS)															
Gold—ounces fine recovered	—	—	—	—	—	—	—	—	—	—	—	—	4,975	5,470	5,820
Yield per ton—dwt.	—	—	—	—	—	—	—	—	—	—	—	—	0.436	0.478	0.515
Cost per ton	—	—	—	—	—	—	—	—	—	—	—	—	53/9	52/2	54/2
FINANCIAL															
Gold:															
Working revenue	1,922,938	2,051,834	2,102,007	276,043	270,298	258,972	258,972	270,262	270,741	2,603,991	2,633,802	2,704,676	796,734	811,314	736,040
Working costs	1,131,833	1,196,698	1,211,343	188,613	185,683	178,021	178,021	201,650	202,118	1,361,567	1,432,402	1,502,008	734,519	756,988	699,245
Working profit	791,105	855,136	890,664	87,430	84,615	80,951	80,951	68,612	68,623	1,242,424	1,201,400	1,202,668	62,215	54,326	36,795
URANIUM:															
Working revenue	769,871	747,888	758,999	142,258	138,447	131,260	131,260	158,569	159,789	376,231	361,569	382,789	1,214,326*	1,211,433*	1,231,857*
Working and treatment costs	192,871	171,888	185,999	90,258	86,447	80,260	80,260	172,231	158,569	172,231	158,569	159,789	612,409	597,272	612,037
Working profit	577,000	576,000	573,000	52,000	52,000	51,000	51,000	204,000	203,000	204,000	203,000	223,000	601,827	614,161	619,820
SULPHURIC ACID: Working profit	69,000	60,000	62,000	—	—	—	—	1,815	2,250	49,000	48,000	49,000	30,300	14,229	48,261
Additional revenue	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL PROFIT	1,437,105	1,491,136	1,525,664	139,430	136,615	131,951	131,951	71,769	70,873	1,495,424	1,452,400	1,474,668	694,342	682,716	706,876
Taxation (Inc. State's share of profits)	—	—	—	—	—	—	—	27,000	27,000	—	—	305,000	291,000	286,000	307,000
Uranium and other Loan repayments (including interest)	242,083	661,434	726,377	104,089	198,836	145,049	145,049	—	—	181,506	165,631	181,506	74,472	74,472	74,472
CAPITAL EXPENDITURE:															
Gold	476,032	456,567	457,670	Cr. 703	Cr. 690	Cr. 850	Cr. 850	45	7,211	884,214	716,689	795,146	7,356	17,970	7,126
Uranium, Pyrite and Acid	42,932	11,722	10,868	Nil	Nil	Nil	Nil	—	—	11,438	1,420	Cr. 2	15,675	5,997	9,478
Amortisation Contributions received (Uranium) Dividend per share	1/6	—	1/9	12,153	12,153	12,153	12,153	1/14	1/14	63,492	63,263	59,608	2/- Ord.	2/3 Ord.	2/3 Ord.
DEVELOPMENT															
Total footage advanced	28,064	31,395	31,327	606	694	1,083	1,083	7,188	7,160	22,812	25,871	30,688	14,220	16,979	11,456

*Includes revenue from gold and sundry 2/- Ord. — 2/3 Ord. 25/10 Ad. Def. — 66/7 Ad. Def.

Interest	104,089	198,836	145,049	45	83	7,211	884,214	716,689	795,146	7,356	17,970	7,126
CAPITAL EXPENDITURE:												
Gold	Cr. 703	Cr. 690	Cr. 450				11,438	1,420	Cr. 2	15,675	5,997	9,478
Uranium, Pyrite and Acid	Nil	Nil	Nil				63,492	63,263	59,608			
Amortisation Contributions received (Uranium)	12,153	12,153	12,153				1,104					
Dividend per share	1/6	1/6	1/6				1/14	1/14	1/14			
DEVELOPMENT—Advanced	28,064	31,395	31,527				22,812	29,871	30,688	14,220	16,929	11,456
Footage sampled	3,260	4,960	4,155				5,810	8,220	8,310	6,388	7,007	5,245
Footage payable	3,185	4,515	3,665				3,555	6,570	7,225	4,375	4,015	3,795
Percentage payable	97.7	91.0	86.8				61.2	79.9	86.9	66.4	57.3	72.4
Channel width—inches	42.7	33.3	35.0				29	25	26	34.0	34.1	41.5
GOLD:												
Average value—dwt.	14.3	18.0	19.4				8.8	9.7	9.5	8.4	7.7	7.1
"	13.70	14.20	1.258				2.088	1.653	1.764	286	263	294
URANIUM: Pounds per ton	58.48	47.27	44.04				14.41	14.88	13.76			
"												
URANIUM SECTION (WEST RAND CONS)												
Total footage advanced												
Footage sampled												
Footage payable												
Percentage payable												
Channel width—inches												
Gold value—inch-dwt.												
URANIUM: Pounds per ton												
"												
Value—inch-pounds												
ORE RESERVES												
GOLD:												
Tons	As at 30th June, 1959	3,034,000	61.1	As at 30th June, 1959	316,000	42.0	As at 31st December, 1959	5,265,000	47,599,000	As at 31st December, 1959	4,759,000	49
Stopping width—inches		61.1	9.84		47	4.8		40.2	3.4		3.4	166
Value—dwt.		601	601		226	362		380	0.323		0.7	24
Inch-dwt.		0.685	41.84		—	25.19		12.97	—		—	—
URANIUM: Pounds per ton												
"												
URANIUM SECTION (WEST RAND CONS)												
Tons												
Stopping width—inches												
URANIUM: Pounds per ton												
"												
GOLD:												
"												
Inch-dwt.												

NOTE: DEVELOPMENT VALUES IN ALL ABOVE COMPANIES' REPORTS REPRESENT ACTUAL RESULTS OF SAMPLING, NO ALLOWANCE HAVING BEEN MADE FOR ADJUSTMENTS WHICH ARE NECESSARY IN ESTIMATING ORE RESERVES.

Note:—Copies of the full quarterly Reports may be obtained on application to the London Secretaries at address given below.
For and on behalf of
General Mining & Finance Corporation Limited,
B. M. IVISON, London Secretary.

London Office: Winchester House,
Old Broad Street, E.C.2.
14th January, 1960.

U.S., thus encouraging the movement of some speculative money. However, with last week's rise in Bank Rate to 5 per cent, this differential has, for the moment, virtually disappeared.

The underlying situation, therefore, remains unchanged, and, indeed, the American problem has been aggravated by the final outcome of the steel strike which, despite official insistence to the contrary, represents a substantial victory for the union, whose slogan might well have been "Strike a blow for inflation".

Influence of Election Year

A root cause of the dollar's difficulties is the uncompetitive price structure of American products in overseas markets. Even if Europe is now to provide a greater share of the aid to underdeveloped nations, the U.S. will continue to carry the lion's share, and this, combined with her constantly rising tide of defence expenditure, offsets much of the advantage of her relatively low import bill. In the long term, the real solution to the problem of the gold outflow must come from a stemming of the internal inflationary tide. However, in spite of the \$4,200,000,000 budget surplus which the President has asked for—and of which he may get part, at least—it seems unlikely that such a reversal could take place with the presidential election only months away. For the same reason, it is equally unlikely that the drastic solution of a dollar devaluation will take place within the next twelve months.

Perhaps the most encouraging omen for the dollar is the growth, both in size and outspokenness, of the body of opinion within the U.S. which both realises that the dollar is in trouble and also believes that it can and must be saved. The interval between awareness and action, however, is often prolonged.

Expansion the Industry's Keynote

Meanwhile, the gold mining industry remains in first-class trim. The effect of the greater availability of native labour has continued to be a major factor, and, as can be seen from the statistical pages which follow, outputs have continued to run at a high level, with expansion now much more noticeable among the young producers where increased labour complements took some months to be translated into throughput.

Expansion, indeed, is currently the keynote of the industry. Quite apart from the heavy drilling programme, it is now the exception to find a young producer without a major expansion scheme either planned or under way. Certainly effective mill capacity in twelve months time will be substantially greater than that available at the moment even though underground development may not have kept pace with it. Grades at the young producers, too, are rising fast enough fully to offset declines in the value of the ore produced by the old mines, so that the prospects for the growth of the industry, both in terms of gold outputs and of profits, are first-rate.

The remarkable way in which the earliest of these expansion schemes are paying off is apparent from the record level of gold output achieved last year of over 20,000,000 ounces—the first time that this milestone has been passed. Even more striking is the fact that in January, 1959, total gold output was 1,546,185 ounces. By November, this had risen to 1,723,282 ounces, an increase of 11½ per cent over the eleven-month period.

(Continued on page 19)

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED GROUP

MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1959 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER.

(All Companies mentioned are incorporated in the Union of South Africa)

GENERAL REMARKS—The development values are the actual results of the sampling of development work on reef; no allowance has been made for modifications which may be necessary when computing ore reserves.

THE EAST CHAMP D'OR GOLD MINING COMPANY, LIMITED.

ISSUED CAPITAL £259,875
(Divided into 2,079,000 shares of 2s. 6d. each, fully paid)

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
OPERATIONS		
Tons milled	36,000	36,000
Cost per ton milled	52s. 10d.	51s. 10d.
Uranium Oxide produced—lbs.	27,556	26,732
Uranium Oxide sold—lbs.	27,556	26,732
Yield per ton milled—lb. ....	.765	.743
Gold produced—ounces fine	973	1,014
Yield per ton milled—dwt. ....	.541	.563
RESULTS OF OPERATIONS		
Uranium Division		
Revenue from Uranium Oxide sold, subject to future adjustment	£138,643	£134,629
Less: Net Mine Working Costs (i.e. after deduct- ing Sundry Revenue and Revenue from Gold in Uranium Ore), Treatment Costs and Rental Charges	113,392	109,550
Gold Division		
Profit from the milling of 4,500 (last quarter, 4,900) tons arising from reclamation operations on the Main Reef series	£25,251	£25,079
	1,382	1,909
TOTAL OPERATING PROFIT FOR QUARTER	£26,633	£26,988
Less: Estimated Taxation	£9,000	£9,000
Provision for interest on and repayment of Uranium Loans	3,905	3,905
Capital Expenditure	Nil	Nil
	12,905	12,905
BALANCE OF PROFIT FOR QUARTER	£13,728	£14,083
URANIUM LOANS		
Balance of Loans outstanding at end of Quarter	£70,578	£73,756
DEVELOPMENT		
Bird Reef Series		
Development—feet	2,225	2,377
Sampled:		
Feet	1,605	1,810
Value—uranium—lbs.	1.4	1.5
Value—gold—dwt.	1.2	1.4
Width—inches	17	17
Inch—lbs.—uranium	24	26
Inch—dwt.—gold	20	24
Payable:		
Feet	*400	*600
Percentage	25	33
Value—uranium—lbs.	2.6	2.5
Value—gold—dwt.	1.8	2.3
Width—inches	16	16
Inch—lbs.—uranium	42	40
Inch—dwt.—gold	29	37
* Payability is based on the combined Gold and Uranium content.		
ORE RESERVES	At 31st Dec., 1959	At 31st Dec., 1958
Bird Reef Series	*132,000	*184,000
Tons .....	.9	.8
Value—gold—dwt.	1.2	1.1
Value—uranium—lbs.	30	31
Width—inches	27	25
Inch—dwt.—gold	36	34
Inch—lbs.—uranium		
* Payability is based on the combined Gold and Uranium content.		

WESTERN AREAS GOLD MINING COMPANY LIMITED

AUTHORISED AND ISSUED CAPITAL £8,270,000
PAID UP CAPITAL £4,890,847.5.0
(Divided into 7,528,926 units of stocks of 10s. each fully paid
and 9,011,074 shares of 10s. each 2s. 6d. paid up)

INCORPORATION AND CAPITAL

The company was incorporated on 8th September, 1959, with an authorised capital of £8,270,000, divided into 16,540,000 shares of 10s. each.

The Statutory Meeting was held on 5th November, 1959.
In terms of the Flotation Agreement the parties thereto subscribed in full in cash for 5,416,662 shares of 10s. each and for 9,011,074 shares of 10s. each on which 2s. 6d. per share has been paid up in cash. The directors may make a call of 7s. 6d. per share in respect of one-half of the 9,011,074 partly-paid shares on such date as they may determine, being not earlier than 1st December, 1960, and may make a call of a like amount on the remainder of the said partly-paid shares on such later date as they may determine, being not earlier than 1st December, 1961.

In terms of the company's Prospectus dated 15th September, 1959, 2,112,264 shares were offered to the members of Anglo-Rand Mining & Finance Corporation Limited, Free State Development and Investment Corporation Limited and Rooderand Main Reef Mines Limited at par.

WESTERN AREAS GOLD MINING COMPANY LIMITED—Continued

The offer was subscribed to the extent of 95.3 per cent. and the balance of the shares was taken up by the underwriters in terms of the underwriting agreement. At 31st December, 1959, the paid up capital of the company amounted to £4,890,847.5.0.

All shares as and when they are fully paid up are converted into units of stock of 10s. each.

SHAFT SINKING AND EQUIPPING

Shaft Sinking

Shaft	Depth of Shaft Feet	Depth of Concrete Lining Feet
Main Shaft	70	55
Ventilation Shaft	198	195

The above excavations were carried out by the contractor responsible for the installation of the shaft collars. Shaft sinking is expected to commence at the Ventilation Shaft during January, 1960, and at the Main Shaft about a month later.

Pre-Cementation
The drilling of four diamond drill holes for the pre-cementation of the ground through which the shafts will pass has progressed favourably.

Headgears
The permanent headgears for both shafts have been erected and work is continuing on their equipment.

Hoists
The erection of the hoists necessary for the sinking of the Ventilation Shaft is complete.

Satisfactory progress is being made on the erection of the hoists necessary for the sinking of the Main Shaft.

European Housing
Eighty houses for the use of European employees have been built in Westonaria Township.

Non-European Housing
Work on the Native Compound is progressing favourably and sufficient accommodation is available for shaft sinking requirements.

Mine Services
Electric power, compressed air and other services have been installed, sufficient to meet shaft sinking requirements.

General Buildings and Mine Store
The Mine Store, Change House and Office buildings required during the period of shaft sinking have been completed.

EXPENDITURE
Capital Expenditure to 31st December 1959, amounted to £2,504,000, which sum includes the cost of the Mining Lease, Freehold Property, Mineral Rights, Prospecting expenditure, preliminary and share issue expenses and expenditure incurred in establishing the mine.

GOVERNMENT GOLD MINING AREAS (Modderfontein) CONSOLIDATED LIMITED.

ISSUED CAPITAL £70,000
(Divided into 5,600,000 shares of 3d. each, fully paid)

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
OPERATIONS		
Tons milled	155,000	160,000
Gold recovered from current milling—ounces fine	27,948	29,091
Recovery per ton—dwt.	3.606	3.636
Gold recovered from old residues—ounces fine ..	4,236	3,112
RESULTS OF OPERATIONS		
Revenue from Gold, Silver and Osmidium, including revenue from sales of gold derived from the treatment of old residues	£401,750	£401,825
Rents and Sundry Revenue	7,556	8,837
Revenue from Sales of Salvaged Plant and Equip- ment	6,260	45,612
Less: Working Costs	£415,566	£456,274
	412,463	414,334
TOTAL PROFIT FOR QUARTER	£82,195	£118,902
Less: Estimated Government Share of Profits and Taxation	£13,500	£12,900
Provision for Interest on and repayment of Pyrite Loans	10,350	10,350
Capital Expenditure	Nil	Nil
	23,850	23,250
BALANCE OF PROFIT FOR QUARTER	£58,345	£95,652
PYRITE LOANS		
Balance of Loans outstanding at end of quarter	£178,533	£187,040
DEVELOPMENT		
Total Development—feet	Nil	Nil
ORE RESERVES	At 31st Dec., 1959	At 31st Dec., 1958
Tons	328,000	505,000
Value—dwt.	5.9	5.8
Width—inches	71	69

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED.

ISSUED CAPITAL £4,063,553
(Divided into 4,063,553 shares of £1 each, fully paid)

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
OPERATIONS		
Gold Division		
Tons milled	92,000	122,000
Gold produced—ounces fine	16,561	20,724
Yield per ton milled—lbs.	3,600	3,397
Cost per ounce	23s. 11d.	22s. 5d.
Revenue per ton milled	45s. 5d.	42s. 11d.
Cost per ton milled	42s. 1d.	38s. 9d.
Profit per ton milled	3s. 4d.	4s. 2d.
Revenue from Gold and Sundry Revenue	£209,069	£262,030
Less: Working Costs	193,712	236,670
OPERATING PROFIT	£15,357	£25,360
Uranium Division		
Tons milled	493,000	512,000
Cost per ton milled	78s. 4d.	72s. 11d.
Uranium Oxide produced—lbs.	466,081	482,156
Yield per ton milled—lbs.	945	942
Uranium Oxide sold—lbs.	457,962	482,156
Gold produced—ounces fine	24,144	25,355
Yield per ton milled—dwts.	.979	.990
Revenue from Uranium Oxide sold, subject to future adjustment	£2,333,224	£2,288,319
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore) and Treatment Costs attributable Uranium Oxide sold	1,847,733	1,809,489
Profit on Uranium Oxide sold	£485,491	£478,830
Net Revenue from Acid sold	59,776	56,927
OPERATING PROFIT	£545,267	£535,757
RESULTS OF OPERATIONS		
Combined Operating Profit for quarter—Gold and Uranium Divisions	£560,624	£561,117
Less: This Quarter		
Estimated Taxation	£146,000	£146,000
Provision for Interest on and repayment of Uranium Loans	215,085	215,086
Capital Expenditure	Nil	36
	361,086	361,122
BALANCE OF PROFIT FOR QUARTER	£199,538	£199,995
URANIUM LOANS:		
Balance of Loans outstanding at end of Quarter	£3,746,150	£3,922,585
DEVELOPMENT:		
Total development—feet	37,033	39,070
Gold Division:		
Development—feet	142	398
Sampled—feet	55	335
Payable—feet	20	170
Percentage payable	36	51
Value—dwts.	21.5	9.9
Width—inches	19	42
Inch-dwts.	409	416
Uranium Division—Bird Reef Series:		
Development—feet	36,891	38,672
Sampled:		
Feet	5,395	5,860
Value—uranium—lbs.	2.0	1.9
Value—gold—dwts.	2.3	2.1
Width—inches	26	24
Inch-lbs.—uranium	52	46
Inch-dwts.—gold	60	50
Payable:		
Feet	*2,885	*2,840
Percentage	53	48
Value—uranium—lbs.	2.8	2.7
Value—gold—dwts.	3.6	3.4
Width—inches	25	24
Inch-lbs.—uranium	70	65
Inch-dwts.—gold	90	82
*In the case of the Uranium Division payability is based on the combined Gold and Uranium content.		
ORE RESERVES	At 31st Dec., 1959	At 31st Dec., 1958
Gold Division:		
Tons	285,000	424,000
Value—dwts.	4.7	4.7
Width—inches	51	51
Inch-dwts.	240	240

THE RANDFONTEIN ESTATES GOLD MINING CO., WITWATERSAND, LIMITED—continued

Uranium Division:		
Tons	*1,921,000	*1,677,000
Value—uranium—lbs.	1.3	1.2
Value—gold—dwts.	1.7	1.5
Width—inches	32	33
Inch-lbs.—uranium	42	40
Inch-dwts.—gold	54	50
* In the case of the Uranium Division payability is based on the combined Gold and Uranium content.		

FREDDIES CONSOLIDATED MINES, LIMITED.

ISSUED CAPITAL £16,359,913
Divided into 16,359,913 shares of £1 each, fully paid)

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
OPERATIONS		
Gold:		
Tons milled	178,000	184,000
Gold Produced—ounces fine	42,139	43,518
Yield per ton milled—dwts.	4.73	4.73
Cost per ton milled	73s. 7d.	72s. 8d.
Uranium-O.F.S. Joint Production Scheme		
Tonnage apportioned to this Company	178,237	185,098
Production apportioned—lbs.	55,036	57,285
Yield per ton on lbs. apportioned	.309	.309
Sales of Uranium Oxide—lbs.	55,036	57,285
RESULTS OF OPERATIONS		
Revenue from Gold and Sundry Revenue	£540,050	£556,477
Less: Working Costs	654,911	668,409
LOSS ON GOLD MINING	£114,861	£111,932
Uranium—Revenue from Uranium sold (subject to future adjustment)	£240,158	£246,621
Less: Share of Joint Treatment Charges apportioned to this Company from the O.F.S. Joint Production Scheme for the quarter	97,733	101,055
	142,425	145,566
Less: Contribution towards capital cost of O.F.S. Joint Production Scheme	£27,564	£33,634
	33,425	34,566
TOTAL OPERATING LOSS FOR QUARTER	£5,861	£9,32
Add:		
Interest payable on amounts advanced to the Company by the National Finance Corporation of South Africa and certain Building Societies	£13,354	£14,323
Capital Expenditure	Nil	688
	13,354	15,011
EXCESS OF EXPENDITURE OVER INCOME FOR QUARTER	£19,215	£15,943
DEVELOPMENT		
Total Development—(feet)	10,677	11,295
Sampled:		
Feet	1,305	1,830
Value—gold—dwts.	45.9	47.9
Value—uranium—lbs.	2.9	3.7
Width—inches	6.3	6.5
Inch-dwts.—gold	289	311
Inch-lbs.—uranium	18	24
Payable:		
Feet	*910	*1,180
Percentage	70	64
Value—gold—dwts.	53.2	62.3
Value—uranium—lbs.	3.3	4.6
Width—inches	6.5	6.4
Inch-dwts.—gold	346	399
Inch-lbs.—uranium	21	29
In addition, 67 feet of development was carried out on the "B" reef horizon all of which proved to be unpayable.		
* Payability is based on the combined Gold and Uranium content.		
ORE RESERVES:	At 31st Dec., 1959	At 31st Dec., 1958
Tons	*1,005,000	*1,088,000
Value—gold—dwts.	5.5	5.5
Value—uranium—lbs.	.33	.34
Width—inches	40	40
Inch-dwts.—gold	220	220
Inch-lbs.—uranium	13.2	13.6
* Payability is based on the combined Gold and Uranium content.		

10 & 11, Austin Friars, London, E.C.2.
13th January, 1960.

For and on behalf of,
JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED
D. L. REYNOLDS, Secretary.

INVESTORS IN MINING

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THE CENTRAL MINING—RAND MINES GROUP

South African Mining Companies' Directors' Reports for Quarter Ended 31st December, 1959.

Offices of the London Secretaries: 4 London Wall Buildings, E.C.2.

The development values quoted hereunder represent actual results of sampling, no allowance having been made for any adjustments which may be or were necessary when estimating ore reserves at the end of the respective financial years.

PNEUMOCONIOSIS—Each Company hereunder will NOT be required to make any contributions in respect of the annual levy for the year ending 31st March, 1960.

BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED.

Ore Milled 377,000 tons.		Slimes treated for Uranium 400,076 tons	
GOLD YIELD		URANIUM YIELD	
Ozs. Fine	Dwt. per ton	lb.	lb. per ton
250,192	13.273	161,167	0.403

Uranium sold 156,322 lb.

			Per ton Milled
Working Revenue—Gold	£3,132,770	..	166 3
Working Expenditure—Gold	1,224,495	..	64 0
WORKING PROFIT—GOLD	£1,908,275	..	101 3
Revenue—Uranium sold	£646,215	..	
Treatment Costs—Uranium sold	221,587	..	
Working Profit—Uranium sold	£424,628	..	
Working Profit—Sulphuric Acid	41,372	..	
TOTAL WORKING PROFIT	£2,374,275	..	

Adjusting for sundry revenue (net) £47,700 and Outstanding Liabilities Trust Fund (Cr.) £4,700, less interest on Uranium and Sulphuric Acid Loans £24,200, the **TOTAL PROFIT** was **£2,402,475**.

Taxation and Lease Consideration **£1,274,000**.

Dividend No. 28 of 1s. 2d. per share declared on 10th December, 1959, **£1,400,000**.

Capital Expenditure (Gold, Uranium and Acid) **£128,200**.

Uranium and Sulphuric Acid Loan Accounts—Quarterly instalment—Capital Repayment, **£133,100**.

DEVELOPMENT totalled 16,746 feet.

		PAYABLE DISCLOSURES	
Reef	Footage Sampled Feet	%	Gold Channel Value, dwt./ton
Carbon Leader	4,475 3,405	76.1	67.1

HARMONY GOLD MINING COMPANY, LIMITED

Ore Milled 418,000 tons.		Slimes treated for Uranium 417,300 tons	
GOLD YIELD		URANIUM YIELD	
Ozs. Fine	Dwt. per ton	lb.	lb. per ton
166,934	7.987	188,900	0.453

Pyrites concentrate recovered 9,374 tons Uranium sold 170,577 lb.

			Per ton Milled
Working Revenue—Gold	£2,091,276	..	100 1
Working Expenditure—Gold	1,358,662	..	65 0
WORKING PROFIT	£732,614	..	35 1
Revenue—Uranium sold and pyrites produced	£710,366	..	
Treatment Costs—Uranium sold and pyrites produced	144,594	..	
Working Profit—Uranium sold and pyrites produced	565,772	..	
TOTAL WORKING PROFIT	£1,298,386	..	

Adjusting for interest on Uranium and Pyrites Loans £23,800 and interest on Central Mining Finance Loan £32,700, less Sundry Revenue £6,900, the **NET PROFIT** was **£1,248,786**.

Capital Expenditure (Gold, Uranium, Pyrites and Acid) **£564,700**. Uranium and Pyrites Loans—Quarterly Instalment—Capital Repayment, **£94,000**.

TAXATION AND LEASE CONSIDERATION—No South African taxation or Lease Consideration is as yet payable by the Company.

EXPANSION OF OPERATIONS
GOLD REDUCTION PLANT—The fourth 50,000 ton milling unit has been completed and the plant is capable of milling 200,000 tons per month.

SULPHURIC ACID PLANT—The test running of the Acid Plant has been completed and it is expected that production during January, 1960, will approximate the rated capacity of 120 tons per day.

NO. 2 SHAFT—During the quarter 4,251 feet and 4,947 feet of off-reef development were done on 21 and 25 levels respectively.

The foundations for the automatic winder have been completed and the erection of the winder will commence in January, 1960.

VENTILATION SHAFT—Alterations to the shaft collar to accommodate the four 500,000 c.f.m. fans and air duct are progressing satisfactorily and work on the installation of the fans is expected to commence during the first quarter of 1960.

UNDERGROUND WATER—During the quarter, the water pumped per 24 hours averaged 4,809,000 gallons and for the month of December 4,772,000 gallons.

DEVELOPMENT—Total 21,088 feet.

		PAYABLE DISCLOSURES	
Reef	Footage Sampled Feet	%	Gold Channel Value, dwt./ton
Basal	3,730 2,835	76.0	17.7

CITY DEEP, LIMITED

Ore Milled 314,000 tons.		Yield 65,990 oz. fine.		Yield per ton 4.203 dwt.	
				Per ton Milled	
				s. d.	
Working Revenue	£825,842	..	..	..	52 7
Working Expenditure	808,645	..	..	..	51 6
WORKING PROFIT	£17,197	..	..	..	1 1

Adjusting for Sundry Revenue £8,400 and Outstanding Liabilities Trust Fund (Cr.) £42,000 the **TOTAL PROFIT** was **£67,597**.

Taxation **£2,900**.

Capital Expenditure **£7,000**.

Dividend No. 77 of 7½d. per share, declared on 10th December, 1959, **£63,000**.

Tonnage milled and profit for the quarter were affected by a pressure burst in a main ore pass system at No. 5 shaft during December. A redistribution of production arrangements is well on the way to completion.

The Company's application for the undermining rights of an area in extent approximately 313 mining claims adjoining the southern boundary of the Company's present lease area was granted by the Government during the quarter.

DEVELOPMENT totalled 10,545 feet.

		PAYABLE DISCLOSURES	
Reef	Footage Sampled Feet	%	Channel Value, dwt./ton
South Reef	1,650 450	27.3	9.8
Main Reef Leader	2,840 1,290	45.4	25
Main Reef	720 10	1.4	32

TOTALS & AVERAGES 5,210 1,750 33.6 15.3 22

The **ORE RESERVE** at 31st December, 1959, has been re-estimated as follows:—

	Tons	Value, dwt./ton	Width, Inches
Available	2,876,000	5.7	40.6
Not Available	585,000	6.5	41.3
TOTAL	3,461,000	5.9	40.7

CONSOLIDATED MAIN REEF MINES AND ESTATE, LIMITED

Ore Milled 256,000 tons.		Yield 49,116 oz. fine.		Yield per ton 3.837 dwt.	
				Per ton Milled	
				s. d.	
Working Revenue	£615,576	..	..	..	48 1
Working Expenditure	595,379	..	..	..	46 6
WORKING PROFIT	£20,197	..	..	..	1 7

Adjusting for sundry revenue £7,300 and Outstanding Liabilities Trust Fund Cr. £36,000, the **TOTAL PROFIT** was **£63,497**.

Taxation **£2,200**.

Dividend No. 100 of 1s. 3d. per share, declared on 10th December, 1959, **£78,000**.

DEVELOPMENT totalled 2,105 feet.

		PAYABLE DISCLOSURES	
Reef	Footage Sampled Feet	%	Channel Value, dwt./ton
Bird Reef	60	—	—
South Reef	280	—	—
Main Reef Leader	750 190	25.3	199.0
Main Reef	320	—	—

TOTALS & AVERAGES 1,410 190 13.5 199.0 3

CROWN MINES, LIMITED.

Ore Milled 634,000 tons.		Yield 103,950 oz. fine.		Yield per ton 3.279 dwt.	
				Per ton Milled	
				s. d.	
Working Revenue	£1,300,751	..	..	..	41 0
Working Expenditure	1,250,152	..	..	..	39 5
WORKING PROFIT	£50,599	..	..	..	1 7

Adjusting for sundry revenue £14,100 and Outstanding Liabilities Trust Fund (Cr.) £83,400 the **TOTAL PROFIT** was **£148,899**.

Taxation **£5,200**.

Dividend No. 117 of 2s. 0d. per share declared on 10th December, 1959, **£188,600**.

Capital Account—Property Sales **£136,200**.

DEVELOPMENT totalled 10,787 feet.

CROWN MINES, LIMITED—Continued

Reef	PAYABLE DISCLOSURES			
	Footage Sampled	Feet	%	Channel Value, dwt./ton
Kimberley Reef	250	160	64.0	4.7
South Reef	1,420	560	39.4	11.9
Main Reef Leader	2,320	530	22.8	14.9
Main Reef	3,355	445	13.3	6.3
TOTALS & AVERAGES	7,345	1,695	23.1	9.7

The **ORE RESERVE** at 31st December, 1959, has been re-estimated as follows—

	Tons	Value, dwt.	Width, Inches
Available	2,836,000	5.0	43.6
Not Available	2,394,000	5.0	46.2
TOTAL	5,230,000	5.0	44.7

EAST RAND PROPRIETARY MINES, LIMITED

Ore Milled 634,000 tons.	Yield 167,516 oz. fine.	Yield per ton 5.284 dwt.
Working Revenue	£2,097,154	s. d.
Working Expenditure	1,791,051	66 2
WORKING PROFIT	£306,103	9 8

Adjusting for sundry revenue £3,900 and Outstanding Liabilities Trust Fund (Cr.) £53,400, the **TOTAL PROFIT** was £363,403.

Taxation £3,400.

Dividend No. 80 of 1s. 9d. per share declared on 10th December, 1959, £346,500.

Capital Expenditure, on Shaft Sinking and Equipment, etc. (Net) £405,700. Property (Dr.) £9,800.

Stations were cut on 63 and 66 level horizons in the Far East Sub-Vertical Shaft, stations previously having been cut on 58 and 61 levels. The Composite Reef was intersected at 3,874 feet below collar or 8,897 feet below surface. After stopping for 12 feet from the shaft circumference, 16 sections were sampled at 10 feet intervals and averaged 126 inch-dwt. over a channel width of 45 inches. The 58 level crosscut advancing towards this shaft, ex 58 haulage, intersected the reef 2,440 feet north of the shaft and of the 230 feet driven east and west, sampling averaged 446 inch-dwt. over a channel width of 46 inches.

Construction of the Central Reduction Plant is progressing generally according to schedule.

DEVELOPMENT totalled 14,052 feet.

Reef	PAYABLE DISCLOSURES			
	Footage Sampled	Feet	%	Channel Value, dwt./ton
South Reef	540	120	22.2	9.7
Main Reef Leader	350	80	22.9	8.4
Composite Reef	2,320	860	37.1	23.1
Main Reef	750	390	52.0	7.8
TOTALS & AVERAGES	3,960	1,450	36.6	15.0

The Far East Sub-Vertical Shaft was sunk 614 feet to a total depth of 3,995 feet below the collar.

The **ORE RESERVE** at 31st December, 1959, has been re-estimated as follows—

	Tons	Value, dwt./ton	Width, Inches
Available	3,988,000	6.6	45.0
Not Available	1,439,000	5.4	55.0
TOTAL	5,427,000	6.3	47.3

DURBAN ROODEPOORT DEEP, LIMITED

Ore Milled 580,000 tons.	Yield 106,395 ozs. fine.	Yield per ton 3,669 dwt.
Working Revenue	£1,331,732	Per ton Milled s. d.
Working Expenditure	1,176,770	45 11
WORKING PROFIT	£154,962	5 4

Adjusting for sundry revenue £11,700 and Outstanding Liabilities Trust Fund (Cr.) £29,400, the **TOTAL PROFIT** was £196,062.

Taxation £32,300.

Dividend No. 78 of 1s. 6d. per share, declared on 10th December, 1959, £174,400.

Capital Expenditure on Shaft Sinking and Equipment, etc. £31,600. **DEVELOPMENT** totalled 26,078 feet.

Reef	PAYABLE DISCLOSURES			
	Footage Sampled	Feet	%	Channel Value, dwt./ton
Kimberley Reef	5,780	2,860	49.5	6.2
South Reef	260	150	57.7	37.4
Main Reef Leader	100	—	—	—
Main Reef	5,430	1,670	30.8	8.8
TOTALS & AVERAGES	11,570	4,680	40.4	7.3

I.E. Sub-vertical Shaft was raised 10 feet to a total of 41 feet above the 40th level.

The **ORE RESERVE** at 31st December, 1959, has been re-estimated as follows—

	Tons	Value, dwt.	Width, Inches
Available	7,175,000	3.9	57.5
Not Available	572,000	4.4	59.1
TOTAL	7,747,000	4.0	57.6

MODDERFONTEIN EAST, LIMITED.

Ore Milled 392,000 tons.	Yield 39,352 oz. fine.	Yield per ton 2,008 dwt.
Working Revenue	£492,850	Per ton Milled s. d.
Working Expenditure	487,201	25 1
WORKING PROFIT	£5,649	24 10

Adjusting for sundry revenue £1,700 and Outstanding Liabilities Trust Fund (Cr.) £13,800, the **TOTAL PROFIT** was £21,149.

Taxation and Mineral Lease Consideration £1,500.

Dividend No. 65 or 6d. per share declared on 10th December, 1959, £23,300.

Reef	PAYABLE DISCLOSURES			
	Footage Sampled	Feet	%	Channel Value, dwt./ton
Main Reef Leader	775	310	40.0	6.1
				27

ECONOMICS OF SOUTH AFRICAN GOLD MINING

by R. E. WALLACE and A. S. ROBERTSON

With illustrations by JOHN L. TURNER

THIS book (now available for the first time at a "popular" price) has been specially written for the non-technical mining investor by two Johannesburg accountants in collaboration with a geologist and a mining engineer. It explains how to make full use of the wealth of geological, mining and statistical data, published monthly and quarterly, by the South African groups.

Such information, which is almost invariably reported and commented on in the financial and mining press, often presupposes a degree of knowledge not only of geology and of the techniques of prospecting and mining

but also of the limits of economic mining and of the mathematics of share valuation, which many investors do not possess. It is this knowledge which *Economics of South African Gold Mining* supplies.

This book tips no shares, nor does it set out to evaluate the prospects for any particular mine. Its sole purpose is to present the essential background knowledge without which a considered view of this or that South African gold mining share is not possible. It does so in terms which the lay investor can understand, yet in sufficient detail to enable him to put the principles involved to practical use.

PRICE 12s. 6d.

UNION CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

Directors' Reports of Gold Mining Companies Incorporated in the Union of South Africa
for Quarter ended 31st December, 1959 *

London Office : Princess House, 95 Gresham Street, London, E.C.2

BRACKEN MINES, LTD.

ISSUED CAPITAL 14,000,000 SHARES OF 10s. EACH

SHAFT SINKING: The collar for No. 1A Shaft has been completed and sinking using temporary equipment is in progress. At the end of the year the shaft had been sunk 72 feet below collar.

Two cementation holes have been drilled at the sites of No. 1 and No. 1A Shafts respectively.

BUILDINGS: Good progress has been made on the headgear and winder foundations, winder house, store, compressor station, shaft offices, change house and fitting and electrical shops, etc.

GENERAL: Work on the Electricity Supply Commission sub-station and yard is well advanced and it is hoped that direct power will be available early in the new year. A temporary water supply has been provided and portions of the internal water reticulation system installed. The mine is served by a tarred road which has been built by the Company and gravel roads have been established to all key points.

DIRECTORATE: Messrs. P. H. Anderson and H. C. Koch have been appointed Directors of the Company.

EXPENDITURE: Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £209,467.

EAST GEDULD MINES, LTD.

ISSUED CAPITAL £1,800,000 STOCK IN UNITS OF 4s. EACH

Tons Milled .. 408,000 Gold Produced (in oz. fine) .. 120,688
Yield per Ton Milled (dwt.) .. 5.92

		Per ton Milled
Working Revenue	£1,510,644	74 1
Working Costs	701,984	34 5
WORKING PROFIT	808,660	39 8

Sundry Revenue, including Dividends, less Sundry Expenditure 45,990

TOTAL PROFIT (subject to Taxation and Government's share) £854,650

Estimated Taxation and Government's share of profit £427,000
Capital Expenditure Nil

DEVELOPMENT PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	Av. value % dwt.	Width Inch/ins. dwt.
Main Reef	44	40	40	100	7.9 28 220

DIVIDEND: On 11th December, 1959, Dividend No. 56 of 1s. 11d. per unit of stock was declared payable to stockholders registered at 31st December, 1959. Dividend warrants will be posted about 4th February, 1960.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore reserve at 31.12.59	7,250,000	5.9	53

GEDULD PROPRIETARY MINES, LTD.

ISSUED CAPITAL £1,460,857 IN SHARES OF £1 EACH

Tons Milled .. 222,000 Gold Produced (in oz. fine) .. 41,968
Yield per Ton Milled (dwt.) 3.78

		Per ton Milled
Working Revenue	£526,888	47 6
Working Costs	420,822	37 11
WORKING PROFIT	106,066	9 7

Sundry Revenue, including Dividends, less Sundry Expenditure 347,311

TOTAL PROFIT (subject to Taxation) £453,377

Estimated Taxation £47,900
Capital Expenditure Nil

DEVELOPMENT PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	Av. value % dwt.	Width Inch/ins. dwt.
Black Reef	1,840	1,140	560	49	5.4 81 439

DIVIDEND: On 11th December, 1959, Dividend No. 99 of 5s. 0d. per share was declared payable to shareholders registered at 31st December, 1959. Dividend warrants will be posted about 4th February, 1960.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserve at 31.12.59	400,000	3.8	59

LESLIE GOLD MINES, LTD.

ISSUED CAPITAL 16,000,000 SHARES OF 10s. EACH

SHAFT SINKING: The collar for No. 1A Shaft has been completed and sinking using temporary equipment is in progress. At the end of the year the shaft had been sunk 63 feet below the collar.

Two cementation holes have been drilled at the sites of No. 1 and No. 1A Shafts respectively.

BUILDINGS: Good progress has been made on the headgear and winder foundations, winder house, store, compressor station, shaft offices, change house, etc.

GENERAL: Work on the Electricity Supply Commission sub-station and yard is well advanced and it is hoped that direct power will be available early in the new year. A temporary water supply has been provided and portions of the internal water reticulation system installed. The mine is served by a tarred road which has been built by the Company and gravel roads have been established to all key points.

SURFACE DRILLING: Subsequent to the issue of the Prospectus further intersections of the Kimberley Reef were obtained in deflections of the two cementation boreholes mentioned above and confirmed the values given in the prospectus schedule, the values being 172 inch/dwt. in Borehole 347 and 422 inch/dwt. in Borehole 348.

DIRECTORATE: Messrs. A. H. Ball, H. C. Koch and T. Reekie have been appointed Directors of the Company.

EXPENDITURE: Expenditure on Shafts, Plant and Equipment and General Expenditure amounted to £275,088.

MARIEVALE CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £2,250,000 IN SHARES OF 10s. EACH

Tons Milled .. 288,000 Gold Produced (in oz. fine) .. 69,589
Yield per Ton Milled (dwt.) .. 4.83

		Per ton Milled
Working Revenue	£871,573	60 6
Working Costs	521,298	36 2
WORKING PROFIT	350,275	24 4

Sundry Revenue less Sundry Expenditure 347

TOTAL PROFIT (subject to Taxation and Government's share) £350,622

Estimated Taxation and Government's share of profit £150,300
Capital Expenditure Nil

DEVELOPMENT PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	Av. value % dwt.	Width Inch/ins. dwt.
Main Reef	3,673	2,670	710	27	18.6 12 223

DIVIDEND: On 11th December, 1959, Dividend No. 39 of 1s. 7d. per share was declared payable to shareholders registered at 31st December, 1959. Dividend warrants will be posted about 4th February, 1960.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserve at 31.12.59:			
Main Reef	4,000,000	5.2	46
Kimberley Reef	1,400,000	4.6	49

ST. HELENA GOLD MINES, LTD.

ISSUED CAPITAL £4,812,500 IN SHARES OF 10s. EACH

Tons Milled .. 460,000 Gold Produced (in oz. fine) .. 148,305
Yield per Ton Milled (dwt.) .. 6.45

		Per ton Milled
Working Revenue	£1,857,306	80 9
Working Costs	977,793	42 6
WORKING PROFIT	879,513	38 3

Sundry Expenditure less Sundry Revenue 15,768

TOTAL PROFIT (subject to Taxation and Government's share) £863,745

Estimated Taxation and Government's share of profit £ Nil
Capital Expenditure £278,237

DEVELOPMENT PAYABLE DEVELOPMENT

	Footage driven	Footage sampled	Footage payable	Av. value % dwt.	Width Inch/ins. dwt.
Basal Reef	18,398	4,705	2,955	63	14.0 30 419

The following station cutting was accomplished during the quarter:—
No. 2 Shaft 3,526 feet
No. 7 Shaft 74 feet
NO. 7 SHAFT was sunk 1,411 feet to a total depth of 3,247 feet below surface.

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserve at 31.12.59	4,000,000	7.5	55

THE GROOTVLEI PROPRIETARY MINES, LTD.

ISSUED CAPITAL £2,859,704 STOCK IN UNITS OF 5s. EACH

Tons Milled .. 650	Gold Produced (in oz. fine) .. 135,854	Per ton Milled s. d.					
Yield per Ton Milled (dwt.) .. 4.18							
Working Revenue	£1,701,449	52 4					
Working Costs	981,365	30 2					
WORKING PROFIT	720,084	22 2					
Sundry Revenue less Sundry Expenditure	6,157						
TOTAL PROFIT (subject to Taxation and Government's share)	£726,241						
Estimated Taxation and Government's share of profit	£364,500						
Capital Expenditure	£ Nil						
PAYABLE DEVELOPMENT							
DEVELOPMENT	Footage driven	Footage sampled	Footage payable %	Av. value dwt.	Width Inch/ins.		
Main Reef	3,774	3,305	1,740	53	16.9	15	253
Kimberley Reef	2,710	1,360	710	52	30.5	8	244
DIVIDEND: On 11th December, 1959, Dividend No. 42 of 1s. 5d. per unit of stock was declared payable to stockholders registered at 31st December, 1959. Dividend warrants will be posted about 4th February, 1960.							
PAYABLE ORE RESERVES:							
	Tons	Average value dwt.	Estimated stoping width—ins.				
Ore Reserve at 31.12.59	12,500,000	4.5	48				

VAN DYK CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £69,150 IN SHARES OF 3d. EACH

Tons Milled .. 213,000	Gold Produced (in oz. fine) .. 38,925	Per Ton Milled s. d.					
Yield per Ton Milled (dwt.) .. 3.66							
Working Revenue	£486,958	45 9					
Working Costs	415,315	39 0					
WORKING PROFIT	71,643	6 9					
Sundry Revenue less Sundry Expenditure	1,307						
TOTAL PROFIT (subject to Taxation and Government's share)	£72,950						
Estimated Taxation and Government's share of profit	£ Nil						
Capital Expenditure	£ Nil						
PAYABLE DEVELOPMENT							
DEVELOPMENT	Footage driven	Footage sampled	Footage payable	%	Av. value dwt.	Width ins.	Inch/ dwt.
Main Reef—all shafts	2,930	2,155	475	22	4.2	66	278
No. 5 Shaft Area included above	756	390	105	27	7.4	46	342
Kimberley Reef	515	395	50	13	4.3	71	307
PAYABLE ORE RESERVES:							
	Tons	Average value dwt.	Estimated stoping width—ins.				
Ore Reserve at 31.12.59	250,000	3.9	50				

WINKELHAAK MINES, LTD.

ISSUED CAPITAL £6,000,000 IN SHARES OF 10s. EACH

Tons Milled .. 231,000	Gold Produced (in oz. fine) .. 65,437	
Yield per Ton Milled (dwt.) .. 5.67		
		Per ton Milled
Working Revenue	£821,998	s. d.
Working Costs	605,899	71 2
WORKING PROFIT	216,099	52 5
Sundry Expenditure less Sundry Revenue	18,913	
TOTAL PROFIT (subject to Taxation and Government's share)	£197,186	
Estimated Taxation and Government's share of profit	£ Nil	
Capital Expenditure	£115,073	
PAYABLE DEVELOPMENT		
	Footage driven	Footage sampled
	Footage payable	Footage %
	Av. value	Width Inch/
	dwt.	ins. dwt.
Kimberley Reef	14,174	5,975
	4,945	83
SURFACE DRILLING: Borehole WS 30, sited on the north-western boundary approximately 2,500 feet north of Borehole 74, and Borehole WS 31, sited		

approximately 8,500 feet east of No. 3 Shaft, intersected the Kimberley Reef with the following results:—

Borehole	Depth feet	Value dwt.	Width ins.	Inch dwt.	Remarks
WS 30 Original	4,420	1.89	24.4	46	Complete core recovery
1st Deflection	4,421	1.77	28.8	51	Complete core recovery
2nd Deflection	4,419	11.70	9.7	113	Complete core recovery
3rd Deflection	4,418	11.77	9.6	113	Complete core recovery
WS 31 Original Reef faulted out					
1st Deflection	1,486	0.90	7.3	7	Complete core recovery but incomplete reef due to faulting
2nd Deflection	1,486	1.80	10.1	18	
3rd Deflection	1,486	3.09	35.3	109	Complete core recovery
4th Deflection	1,487	3.16	39.5	125	Complete core recovery

PAYABLE ORE RESERVES:

	Tons	Average value dwt.	Estimated stoping width—ins.
Ore Reserve at 31.12.59	1,600,000	6.8	60
200,000 tons at approximately the same value and width have been disclosed in the prospecting area referred to in the last Annual Report. This tonnage will be added to the ore reserve when the application for the inclusion of this ground in the lease area has been finalised.			

Discounts have been applied to development values to conform with adjustments which are necessary in estimating the ore reserves at the year end.

* In the cases of Bracken Mines, Ltd. and Leslie Gold Mines, Ltd. the Reports cover the period from the inception of the Companies to 31st December, 1959.

Whether present labour levels will persist, however, is another matter. At the moment, the industry is passing through the season of lowest availability, and the question yet to be answered is whether the seasonal influx, soon due to begin, will be up to last year's high level, or whether secondary industry, now beginning to pull out of the recession, will provide enough counter-attractions to adversely affect recruitment to the mines. Certainly as the tempo of activity in South African industry rises, the mines are going to have to fight harder for their labour supplies than in the past eighteen months or so.

This, indeed, may have influenced some of the expansion programmes mentioned earlier, partly because the allocation of complements as between mines depends to some extent on output potential, and partly because the artisans and constructional workers needed for surface expansion may be less available in the future.

Interpreting the Union to the World

On the political front, too, matters are basically little changed from what they were twelve months ago. The attitudes of liberals and the two major parties remain unreconciled, and, indeed, there seems to be no possible compromise. On the other hand, ignorance continues to play a great part in the intermittent publicity, good and bad, given to South African affairs. In this connection, interest therefore attaches to the formation of a new non-political group, the South African Foundation.

Representing a wide spectrum of South African political opinion ranging from Mr. M. S. Louw to Mr. Harry Oppenheimer, the Foundation is an association of businessmen formed with the businesslike object of interpreting South Africa to the outside world. Backers include most of the leading figures in the mining industry. The task

which the Foundation has set itself is indeed urgent—although at first sight it is somewhat difficult to see what it can achieve without venturing on to controversial political ground. Nevertheless, it represents a great advance from the old position of assuming that the Union's actions were self-evidently right, and that its attractions for investment and industry were too apparent to need arguing.

Over the past year, Kaffir investors in London, and to a lesser extent on the Continent and in the U.S., have become noticeably more unflappable in the face of disturbing press comment on the Union's racial and political problems. The inevitable round of marking-down on the "morning after" has often been followed by an influx of bargain hunters, rather than by a wave of panic selling. This growing equanimity will be reinforced if

(Continued on page 22)

ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT CO. LIMITED

(Incorporated in the Union of South Africa)

Operating Statistics and Vital Information extracted from the Directors' Reports for Mining Companies associated with the Group for the quarter ended 31st December, 1959, and comparative figures for previous quarter ended 30th September, 1959.

(All Companies mentioned are incorporated in the Union of South Africa)

HARTEBEESTFONTEIN GOLD MINING COMPANY, LIMITED.

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
PRODUCTION		
Gold: Tons milled	307,000	270,000
Yield—ounces fine	151,460	144,435
—dwt. per ton milled	9.867	10.699
Uranium: Tons treated:		
From current slimes	307,000	270,000
From surface accumulations	36,000	44,000
Total	343,000	314,000
Yield—lb. of uranium oxide	250,681	259,877
—lb. per ton treated	0.731	0.828
Uranium oxide sold—lb.	260,795	260,795

	Per ton milled	Per ton milled
FINANCIAL INFORMATION		
Gold:		
Revenue	£1,895,684	£1,807,630
Working costs	990,000	895,550
Working profit	£905,684	£912,080
Sundry mining revenue	26,000	24,000
Total working profit from gold	£931,684	£936,080

	Per lb. sold	Per lb. sold
Uranium oxide:		
Revenue	£1,010,694	£1,003,037
Treatment costs	234,694	206,394
Estimated profit from uranium oxide	£776,000	£796,643
Total Working Profit for Quarter	£1,707,684	£1,732,723

Working costs (gold only) per ounce fine	130s. 9d.	124s. 0d.
Development expenditure per ton milled included in working costs	10s. 6d.	14s. 10d.

NOTE: All information relating to uranium production is provisional and subject to adjustment.

The following amounts have not been taken into consideration in calculating the working profit shown above:—

(a) Loans obtained for gold production	£14,775	£14,965
—Interest	£230	£213

(b) Loans obtained for uranium production	£21,513	£22,152
—Interest	£65,412	£64,773

CAPITAL EXPENDITURE		
Gold production (including £172,412 on capital and excess development)	£515,017	£284,652
Uranium plant	51,342	22,140
Total	£566,359	£306,792

Estimated taxation and Government's share of profits for the half-year ended 31st December 1959

DIVIDEND
A dividend (No. 8) of 30 per cent (3s. 0d. per share) was declared payable to shareholders registered at 31st December, 1959.

DEVELOPMENT
Footage advanced 31,476 26,447

Sampling results of development on Vaal Reef:		
No. 1 Shaft Area		
Footage sampled	3,220	3,735
Channel width (inches)	16.1	17.0
Inch-dwt. (gold)	339	452
Inch-lb. (uranium oxide)	30.09	32.36

No. 2A and No. 3 Shaft Area:		
Footage sampled	5,935	4,259
Channel width (inches)	7.0	6.4
Inch-dwt. (gold)	343	290
Inch-lb. (uranium oxide)	25.12	21.73

Total Mine:		
Footage sampled	9,155	7,985
Channel width (inches)	10.2	11.3
Inch-dwt. (gold)	341	366
Inch-lb. (uranium oxide)	26.87	26.70

Footage advanced	8,025	6,625
Channel width (inches)	10.2	11.3
Inch-dwt. (gold)	341	366
Inch-lb. (uranium oxide)	26.87	26.70

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Inch-dwt. (gold)	341	366
Inch-lb. (uranium oxide)	26.87	26.70

EASTERN TRANSVAAL CONSOLIDATED MINES, LIMITED.

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
PRODUCTION		
Tons milled	56,600	57,100
Yield—ounces fine	18,645	18,398
dwt. per ton milled	6.588	6.444

FINANCIAL INFORMATION		
Revenue from gold	£233,547	£232,766
Working costs	196,688	193,279
Working profit	£36,859	£39,487
Sundry mining revenue	8,819	5,850

Total Working Profit for Quarter	£45,678	£45,337
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Capital Expenditure	£35,045	£15,967
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DEVELOPMENT		
Footage advanced	8,205	8,437

The pilot winze from the 33rd level, New Consort Mine, has intersected the bar-schist contact on the 38th level, on the downthrow side of a pegmatite intrusion.

SHAFT SINKING AND EQUIPPING
New Consort Gold Mine:

Prince Consort Shaft:

Footage sunk 32 feet 55 feet
Depth below 33 level 155 level 123 feet

A total of 6,864 cubic feet was excavated in the cutting of 33 level station. Installation of the 450 h.p. winder is nearing completion.

GENERAL
Surface prospecting is being continued in the vicinity of the Old Mount Morgan Mine and during the quarter, 180 feet of development was accomplished in the mine.

MERRIESPRUIT (ORANGE FREE STATE) GOLD MINING COMPANY, LIMITED.

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
FINANCIAL INFORMATION		
Capital Expenditure (including £5,254 on uranium plant)	£93,548	£77,391

DEVELOPMENT		
Footage advanced	3,855	1,418

The above footage was driven by the Virginia mine in the Merriespruit property. The 28th level haulage and its companion advanced to 7,592 feet and 7,300 feet, respectively, inside the Merriespruit property.

Sampling results of development on Basal Reef:—

Footage sampled	865	395
Channel width (inches)	38.6	27.5
Inch-dwt. (gold)	243	195
Inch-lb. (uranium oxide)	15.20	9.21

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

GENERAL
During the quarter the water level in No. 2 Shaft fell by 43 feet to 1,380 feet below the collar.

VILLAGE MAIN REEF GOLD MINING COMPANY (1934) LIMITED.

	Quarter ended 31st Dec., 1959	Quarter ended 30th Sept., 1959
PRODUCTION		
Tons milled (including 7,250 tons from accumulated slimes)	93,500	86,000
Yield—ounces fine	13,674	14,126
—dwt. per ton milled	2.925	3.285

FINANCIAL INFORMATION		
Revenue from gold	£171,198	£176,763
Working costs	172,019	174,282
Working loss	£821	*£2,481
Sundry mining revenue	1,050	950
Total Working Profit for Quarter	£229	£3,431

* Working Profit		
Working costs per ounce fine	251s. 7d.	246s. 9d.
Development expenditure per ton milled included in working costs	1s. 9d.	1s. 9d.
Capital Expenditure	£799	Nil

Estimated Taxation for the half-year ended 31st December, 1959	£240	
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DEVELOPMENT		
Footage advanced	2,573	2,452
Reconditioning footage	3,828	3,621

GENERAL
Work has commenced on modifications to the reduction plant.

VIRGINIA O.F.S. GOLD MINING CO. LTD.

		Quarter ended 31st Dec., 1959		Quarter ended 30th Sept., 1959	
PRODUCTION					
Gold:	Tons milled	400,000		400,000	
	Yield—ounces fine	90,967		92,502	
	—dwt. per ton milled	4.548		4.625	
Uranium:	Tons treated	400,000		400,000	
	Yield—lb. of uranium oxide	172,582		173,366	
	—lb. per ton treated	0.431		0.433	
	Uranium oxide sold—lb.	162,440		162,440	
FINANCIAL INFORMATION					
Gold:		Per ton milled		Per ton milled	
Revenue	£1,138,403	56s. 11d.		£1,156,978 57s. 10d.	
Working costs	1,103,300	55s. 2d.		1,135,000 56s. 9d.	
Working profit	£35,103	1s. 9d.		£21,978 1s. 1d.	
Sundry mining revenue	25,298	1s. 3d.		16,000 10d.	
Total working profit from gold	£60,401	3s. 0d.		£37,978 1s. 11d.	
		Per lb. sold		Per lb. sold	
Uranium oxide:					
Revenue	£683,696	84s. 2d.		£667,022 82s. 1d.	
Treatment costs	242,696	29s. 10d.		231,022 28s. 5d.	
Estimated profit from uranium oxide	£441,000	54s. 4d.		£436,000 53s. 8d.	
Estimated profit from acid	£93,168			£92,231	
Total Working Profit for Quarter	£594,569			£566,209	

Working costs (gold only) per ounce fine	242s. 7d.	245s. 5d.
Development expenditure per ton milled included in working costs	10s. 4d.	12s. 6d.

NOTE: All information relating to uranium production is provisional and subject to adjustment.

The following amounts have not been taken into consideration in calculating the working profit shown above:—

(a) Debenture and Loan Stocks, Housing and other loans—Interest	£55,500	£58,682
(b) Loans obtained for Acid and Uranium production—Interest	£45,830	£47,527
—Loan Repayment	£173,889	£172,192

CAPITAL EXPENDITURE			
Gold Production	£24,716	£70,068	
Uranium and Acid plants	13,820	Cr. 1,040	
Total	£38,536	£69,028	

Taxation and Government's share of profits for the year ended 31st December, 1959..... Nil

DEVELOPMENT			
Footage advanced	18,853	27,155	

This includes 3,855 feet of development advanced in the Merriespruit property in terms of the agreement entered into with Merriespruit (Orange Free State) Gold Mining Company Limited.

Sampling results of development on Basal and Leader Reefs:

	Total	Payable	Total	Payable
Footage sampled	8,315	2,380	15,030	3,815
		(28.6%)		(25.4%)
Channel width (inches)	32.5	32.5	26.7	28.0
Inch-dwt. (gold)	138	270	127	291
Inch-lb. (uranium oxide)	12.38	20.64	10.85	22.68

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

ORE RESERVE
The Ore Reserve fully developed as at 31st December, 1959, was estimated as follows:—

	Tons	Value		Estimated Stopping Width (inches)
		Gold	Uranium Oxide	
Available	1,500,000	dwt./ton 5.27	lb./ton 0.537	47.8
Unavailable—No. 3 Shaft and No. 1 Shaft and Safety Pillars	801,000	5.73	0.644	52.3
Total and Averages	2,301,000	5.45	0.574	49.2

NEW KLERKSDORP GOLD ESTATES, LIMITED.

	Quarter ended 31st Dec., 1959		Quarter ended 30th Sept., 1959	
		Per ton milled		Per ton milled
RESULTS FOR THE QUARTER				
Net loss from gold production . . .	£17,131	11s. 3d.	£21,943	14s. 0d.
Estimated profit from uranium pro- duction (subject to adjustment) . .	33,000		32,000	
Total Working Profit for Quarter . .	£15,869		£10,057	

The following amounts have not been taken into consideration in calculating the working profit shown above:—

Loans obtained for uranium production:			
Interest	£ 419	£ 437	
Loan repayment	£1,833	£1,815	
Estimated taxation for the year ended 31st December, 1959	£950		

DIVIDEND
A dividend (No. 10) of 20 per cent (1s. 0d. per share) was declared payable to shareholders registered at 31st December, 1959.

LORAINÉ GOLD MINES, LIMITED.

PRODUCTION		Quarter ended 31st Dec., 1959		Quarter ended 30th Sept., 1959	
Gold :	Tons milled	239,500		246,000	
	Yield—ounces fine	48,488		48,215	
	—dwt. per ton milled	4.049		3.920	
Uranium :	(Joint Production Scheme)	198,016		193,984	
	Tonnage apportioned	45,643		45,429	
	Pounds apportioned	0.231		0.234	
	Yield per ton on lb. apportioned	44,594		44,594	
	Uranium oxide sold—lb.				
FINANCIAL INFORMATION		Per ton milled		Per ton milled	
Gold :					
Revenue	£606,701	50s. 8d.	£602,761	49s. 0d.	
Working costs	664,461	55s. 6d.	668,017	54s. 4d.	
Working loss	£57,760	4s. 10d.	£65,256	5s. 4d.	
Sundry mining revenue	2,200	2d.	7,100	7d.	
Net working loss from gold	£55,560	4s. 8d.	£58,156	4s. 9d.	
Uranium oxide :		Per lb. sold		Per lb. sold	
Revenue	£216,376	97s. 1d.	£210,331	94s. 4d.	
Treatment costs	107,376	48s. 2d.	104,331	46s. 10d.	
Estimated profit from uranium oxide	£109,000	48s. 11d.	£106,000	47s. 6d.	
Total Working Profit for Quarter ..	£53,440		£47,844		

Working costs (gold only) per ounce fine	274s. 1d.	277s. 1d.
Development expenditure per ton milled included in working costs	5s. 9d.	5s. 9d.

NOTE: All information relating to uranium production is provisional and subject to adjustment.

The following amount has not been taken into consideration in calculating the working profit shown above:—

6% Registered Unsecured Notes—Interest	£8,199	£8,199
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CAPITAL EXPENDITURE			
Gold production (including £123,257 in respect of underground development)	£481,904	£329,222	
Uranium oxide production			
Contribution towards capital cost of the joint uranium plants	37,134	36,780	
Total	£519,038	£366,002	

Taxation and Government's share of profits for the quarter ended 31st December, 1959..... Nil

DEVELOPMENT			
Footage advanced	15,517	15,313	

The 52nd level haulage and its companion advanced 1,532 feet and 1,056 feet, respectively, during the quarter.

Progress in this haulage was retarded by the intersection of water-bearing fissures requiring cementation.

SAMPLING RESULTS OBTAINED:—

	Total	Payable	Total	Payable
Basal Reef				
Footage sampled	655	185	825	195
		(28.2%)		(23.6%)
Channel width (inches)	6.0	6.9	4.2	3.8
Inch-dwt. (gold)	98	174	108	196
Inch-lb. (uranium oxide)	12.00	18.04	12.73	20.58
"B" Reef				
Footage sampled	710	175	1,420	235
		(24.6%)		(16.5%)
Channel width (inches)	24.0	25.0	16.2	14.9
Inch-dwt. (gold)	119	288	143	514
Inch-lb. (uranium oxide)	7.61	8.24	8.05	13.52
Elsburg Reefs				
Footage sampled	1,505	1,290	490	365
		(85.7%)		(74.5%)
Channel width (inches)	30.7	29.9	35.3	33.9
Inch-dwt. (gold)	605	690	368	466
Inch-lb. (uranium oxide)	18.08	19.69	15.33	17.34
Total—All Reefs				
Footage sampled	2,870	1,650	2,735	795
		(57.5%)		(29.1%)
Channel width (inches)	23.4	26.8	15.9	20.9
Inch-dwt. (gold)	369	590	173	414
Inch-lb. (uranium oxide)	14.10	18.29	10.77	17.01

Included in the above are the following sampling results obtained from development on the Elsberg Reefs in the vicinity of Borehole TV 2:

Footage sampled	165	160
		(97.0%)
Channel width (inches)	18.6	18.9
Inch-dwt. (gold)	838	860
Inch-lb. (uranium oxide)	12.99	13.28

Reef development in this area will be limited by ventilation conditions until such time as a connection has been effected between the 52nd level haulage and No. 3 shaft, probably after September 1960.

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

SHAFT SINKING AND EQUIPPING

No. 3 Shaft:			
Footage sunk	604 feet	541 feet	
Depth below collar	5,457 feet	4,853 feet	
Concrete lining accomplished	600 feet	555 feet	
Depth of concrete lining below collar	5,415 feet	4,815 feet	

At a depth of 5,378 feet the shaft passed from the Elsberg Series into the Kimberley Series.

A total of 265,728 cubic feet was excavated in the cutting of stations on 50, 52 and 54 levels at depths of 4,950 feet, 5,100 feet and 5,340 feet, respectively, below the collar and a loading bin on the 48th level.

Work on the equipping of the intermediate pump station at 2,790 feet below the collar and on a temporary pump station on the 46th level is nearing completion.

RAND LEASES (VOGELSTRIJSFONTEIN) GOLD MINING COMPANY LIMITED.

	Quarter ended 31st Dec., 1959		Quarter ended 30th Sept., 1959	
PRODUCTION				
Tons milled.....	548,000		585,000	
Yield—ounces fine.....	82,027		86,283	
—dwt. per ton milled.....	2,994		2,950	
FINANCIAL INFORMATION				
Revenue from gold.....	£1,026,023	37s. 5d.	£1,078,707	36s. 10d.
Working costs.....	972,950	35s. 6d.	1,001,758	34s. 3d.
Working profit.....	£53,073	1s. 11d.	£76,949	2s. 7d.
Sundry mining revenue.....	8,500	4d.	9,200	4d.
Total Working Profit for Quarter	£61,573	2s. 3d.	£86,149	2s. 11d.
Working costs per ounce fine.....	237s. 3d.		232s. 2d.	
Development expenditure per ton milled included in working costs.....	2s. 10d.		3s. 2d.	
Capital Expenditure.....	£12,886		£4,830	
Estimated Taxation for the half year ended 31st December, 1959.....	£4,500			
DEVELOPMENT				
Footage advanced.....	12,194		14,922	
Sampling results obtained:—				
Main Reef	Total	Payable	Total	Payable
Footage sampled.....	3,670	1,625	3,945	2,205
		(44.3%)		(55.9%)
Channel width—inches.....	42.6	44.3	45.8	44.7
Inch-dwt.....	188	353	238	334
Main Reef Leader				
Footage sampled.....	1,620	825	2,495	1,325
		(50.9%)		(53.1%)
Channel width—inches.....	15.3	24.8	15.6	8.6
Inch-dwt.....	195	312	178	286
South Reef				
Footage sampled.....	90	55	110	—
		(61.1%)		

Channel width—inches.....	7.6	4.7	7.3	—
Inch-dwt.....	290	427	109	—
Total—Main Reef Series				
Footage sampled.....	5,380	2,505	6,550	3,530
		(46.6%)		(53.9%)
Channel width—inches.....	33.8	37.0	33.6	31.1
Inch-dwt.....	192	341	213	316
Bird Reef				
Footage sampled.....	720	100	1,000	480
		(13.9%)		(48.0%)
Channel width—inches.....	43.3	35.1	35.5	35.5
Inch-dwt.....	88	145	119	149
Kimberley Reef				
Footage sampled.....	1,620	360	2,100	920
		(22.2%)		(43.8%)
Channel width—inches.....	78.7	71.9	82.5	86.8
Inch-dwt.....	132	242	192	283
Total—All Reefs				
Footage sampled.....	7,720	2,965	9,650	4,930
		(38.4%)		(51.1%)
Channel width—inches.....	44.1	41.2	44.5	42.0
Inch-dwt.....	170	322	199	294

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

GENERAL

The reduction of the capital of the company from 9s. 3d. to 3d. per share was confirmed by an order of the Supreme Court of the Union of South Africa on 8th December, 1959, and the order was registered by the Registrar of Companies on 10th December 1959. In terms of the authority granted to them, the directors resolved that a return of one shilling per share be made to members registered in the books of the company at the close of business on 31st December, 1959, payable on or about 4th February, 1960.

From the 18th to the 27th December, inclusive, operations were adversely affected by a breakdown of the motor driving the main rock winder at No. 11 shaft. The company is insured against losses of this nature and a claim is being lodged with the insurance company.

the Foundation can present a clear, non-partisan picture of the issues at stake in the Union. Any suggestion of propaganda would, of course, do more harm than good.

Highlights from the Quarterlies

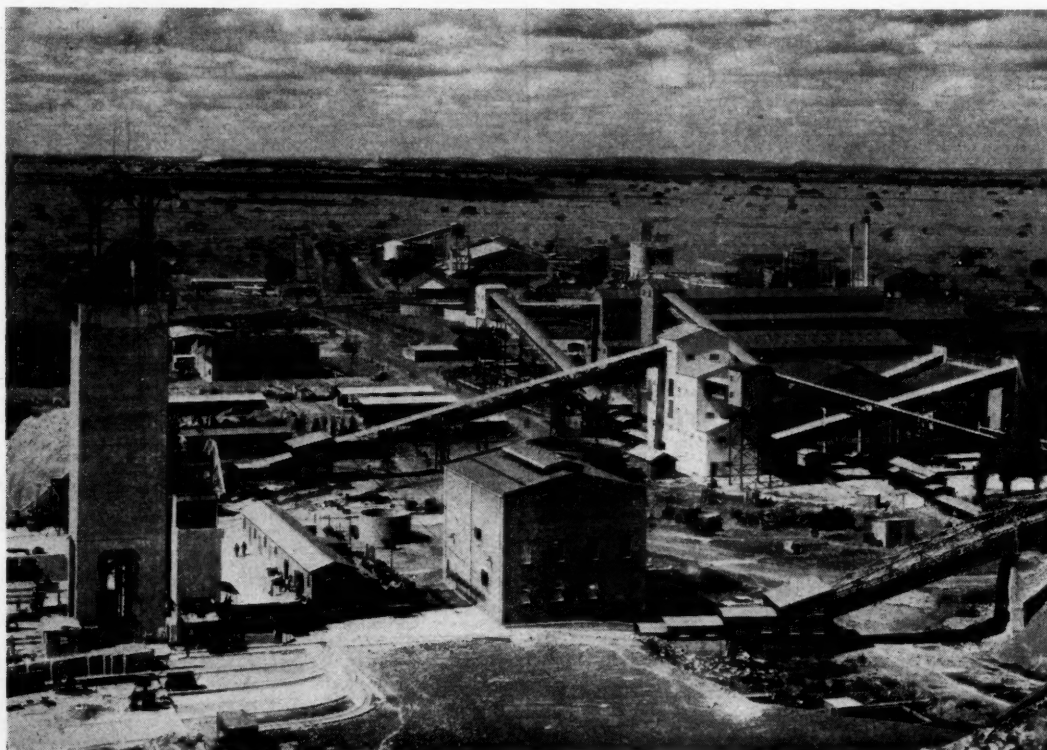
No distinct trend was apparent in the December quarterly reports, although it is notable that throughputs have continued to run at an extremely satisfactory level. Market attention, however, has been

captured more by individual news items from the mines than by any general factors.

A general view of the Vaal Reefs gold mine in the Klerksdorp mining field. Vaal Reefs is administered by the Anglo American Corporation

Pride of place among these items must undoubtedly go to one which, oddly enough, does not appear in the quarterly report of the mine concerned. This was the borehole result of 15,317 in dwt. at Hartbeestfontein, which was made the subject of a separate announcement on the day that the quarterly was published.

The borehole, numbered H.B.23, is situated in the deeper north-western section of the mine, where poor results have recently caused some misgivings. In spite of these,



the chairman has gone on record as believing that, in time, the deeper section of the mine will prove as good as the rest, and this latest result certainly goes some way towards vindicating the chairman's view. Nevertheless, as has been said here before, one borehole is not the most reliable guide to prospects, even in a small area, and, indeed, the 15,317 in. dwt. result was only the third of three intersections, the two previous having assayed the still good, but by no means exceptional, results of 714 and 602 in. dwt.

Another interesting borehole result came from Western Holdings. This hole, Chrystalkop 2, is not within the Holdings lease area, but is situated in an area south of the Vaal River over which Holdings owns mineral rights. The drill in question assayed 1,269 in. dwt., which is by no means unsatisfactory, and has given rise to speculation regarding the possibility of Holdings being able to float another mine. Certainly this is possible, but other results in this area have been somewhat sporadic, and of no more than average value. In addition, the ground appears to be faulted to a certain extent, while reef

depths, though not excessive, are fairly considerable ranging from 4,500 feet to over 7,000 feet. It is certain, therefore, that Holdings will want to know more about this area before there is any question of starting a new mine.

Turning from boreholes to development, perhaps the news most eagerly awaited was that from Loraine, where development was thought to be in the neighbourhood of the rich borehole T.V.2. This assumption proved to be correct, and the first sampling in this area disclosed high payability and values of 860 in. dwt. There were those who took this result to be disappointing, but it seemed to escape notice that the 52 level haulage, from which the sampling was undertaken, is a considerable distance beneath two of the highest values intersected by the borehole. In this light, the development result appears most promising.

Welkom was another mine whose development result was eagerly awaited. The focus of expectation was the south-west corner, where the main O.F.S. line of enrichment should pass through the mine's

lease area. When the report came, however, reactions were mixed. Both payability and values were indeed higher, but only moderately so, and without a breakdown of the areas in which work was accomplished, it is impossible to say what proportion of the total footage sampled was in the important south-west section. Elsewhere, changes in the level of development values and payability appeared to be of no more than temporary importance. At Blyvoor, for example, values were as low as 470 in. dwt., but this is probably explained by an increase in the proportion of work in the lower-grade western section.

One of the important features of the December quarterlies is the ore reserve declaration of those mines whose financial year ends on December 31. Most of the figures followed an expected trend. There was a most satisfactory increase in both tonnage and grade at Western Reefs, while the improvement of 1 dwt. in the value of St. Helena's reserves was gratifying, though not unexpected. Winkelhaak was another producer to announce a much improved reserve position.

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